The China Weekly

REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

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WASHINGTON OFFICE
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Colorado Building, Washington, D. C.

JAPANESE STILL HOLDING KOREAN NATIONALIST, C. H. AHN

C. H. AHN or Ahn Chang-ho, the Korean nationalist who was arrested by the local Japanese authorities following the bombing episode at Hongkew park, is still being held a prisoner at the Japanese Consulate-General in Shanghai despite the fact that Mr. Ahn is a naturalized Chinese citizen and despite the further fact that the Japanese have no legitimate reason whatever for holding him. Mr. Ahn left Korea before that unfortunate country was annexed by the Japanese and for nearly thirty years has resided in China and the United States. He became a naturalized Chinese citizen in July, 1932. His wife and children who are American citizens reside in Los Angeles and his brother-in-law, Dr. C. S. Kim is a graduate student at Johns Hopkins University. C. S. Allman, American attorney who has been retained in Mr. Ahn's behalf has thus far not succeeded in obtaining any definite statement from the Japanese authorities as to their reason for holding Mr. Ahn, except that he is a Korean who never has registered with the Japanese authorities. Apparently this is a crime in the opinion of the Japanese authorities, who according to report are planning to send Ahn to Korea or Japan for trial where it obviously will be impossible to send witnesses to give testimony in his behalf. The French authorities in Shanghai who assisted in Mr. Ahn's arrest, have likewise not gained any special honors from this case. According to the statement of Mrs. C. S. Kim, two French detectives on the afternoon of Friday, April 29 entered her house at 260 Route Vallon in the French Concession and forcibly took away Mr. Ahn's Chinese naturalization papers and passport, which they apparently handed over to the Japanese officials. As a result of this action the Ministry of Foreign Affairs at Nanking has lodged a strong protest with the French Consul-General here, but this apparently has brought no better results than the protests which have been lodged with the Japanese authorities. The Japanese do not seem to realize that the continued holding of Mr. Ahn merely serves to keep the spot-light centered on the Korean problem, the sore-spot in the Imperial Japanese Empire, which has been well labeled as the Achillean heel of Japanese imperialism.

JAPANESE COMPLETE WITHDRAWAL FROM SHANGHAI AREA

JAPAN during the week wound up its disastrous Shanghai expedition. Day by day during the past few weeks transports have been leaving Shanghai, bound ostensibly for Japan, loaded with troops, guns, planes, and other war paraphernalia. Actually most of the troops were transferred to Manchuria. The last of the troops, with the exception of a small contingent of gendarmes and intelligence officers, steamed down the Whangpoo on May 31, to the accompaniment of "banzais," and with hundreds of streamers decorating the transports. Lieut-General Uyeda, Acting Commander of the Shanghai Expeditionary Force, after having supervised the details of the withdrawal, also departed, together with his staff, sailing from the Wayside Wharf on the *Liverpool Maru*. A large assembly of Japanese officials and prominent residents assembled to see him off. Lieut.-General Uyeda was one of the victims of the Hongkew Park bombing incident, receiving serious injuries to his left foot, and although his wounds have healed he is only able to move about with the aid of crutches. He arrived here three months ago at the head of the 9th Army Division to help out the naval landing force when it received a setback in Chapei on the night of January 28.

On May 29 two transports left here with the remaining air force units, big artillery pieces, locomotion units and other supplies, following by another transport the following morning. During the week the Japanese troops completed withdrawal from the Toyoda Cotton Mill on Chungshan Road, Tungwen College on Hungjao Road and Yinghsiangkiang village and the part of Chapei east of the Shanghai-Woosung Railway.

Chinese authorities, represented by the Committee for Reestablishment of Control of Evacuated Areas and the Shanghai-Nanking and Shanghai-Hangchow-Ningpo Railway Administration, took over the railway workshop at Changhwapang May 30, the event being marked with a brief ceremony.

The Chinese committee announced on May 29, that the Japanese soldiers stationed at Fuh Tan University and the Chinese Jockey Club race course in Yinghsiangkiang area had suddenly withdrawn on the previous afternoon without notifying the Chinese authorities through the Joint Commission. As a result, a few hours passed before the Chinese sent police to the two places.

It is to be noted in connection with the withdrawal of the troops, that the Japanese still maintain a naval contingent here of about 2,500 men. and so far not all of them have been withdrawn inside the Settlement. However it is quite evident that Japan has defintely abandoned all ideas, at least for the present, of maintaining a permanent military base at Shanghai—which previous preparations indicated was the intention. Gone are the various barracks and gun emplacements that had been erected at various points, all except at Woosung.

Some 200 Chinese gendarmes arrived from Soochow May 29 to garrison the Lunghwa district. Their arrival is stated to have definitely relieved the anxiety felt by the Chinese community in Shanghai who were suspicious that the government had entered into a secret pact with the Japanese demilitarizing the Lunghwa area. To clinch the matter, an arrangement was reached at a meeting of the Joint Commission of the Sino-Japanese Peace Conference, presided over by the senor consul, Mr. Edwin S. Cunningham, at the American Consulate General, on May 31, whereby the Chinese government will be permitted to station two battalions of soldiers, of 500 men each, at Lunghwa. In normal times the Chinese government usually has five battalions, or 2,500 men, at Lunghwa as garrison troops.

The meeting of the Joint Commission was held following a dispute between the Chinese and Japanese concerning the stationing of Chinese troops or gendarmerie at Lunghwa. It finally was decided to refer the matter to the commission. Mr. O. K. Yui, secretary of the Municipality of Greater Shanghai, at the meeting of the commission urged that the stationing of two battalions at Lunghwa, to which the Japanese had objected, constituted no threat or menace to the peace of the community. The Japanese delegate argued that the sending of Chinese troops to Lunghwa was a breach of the peace pact, but eventually agreed with the other members of the commission in according permission for the stationing of 1,000 soldiers at Lunghwa, as above stated. The Chinese delegate, while maintaining China's right to freely move her troops, gave an undertaking to notify the commission of any troop movements in the Shanghai area in future.

JAPANESE TROOPS MAKE PROGRESS IN NORTH MANCHURIA

WITH the asistance of troops transferred from the Shanghai area, the Japanese forces in Manchuria have been making a certain amount of headway in north Manchuria. General Ma Chan-san's drive on Harbin temporarily failed and his Heilungkiang troops withdrew to Shihua and Tungpei along the Hulan-Hailun Railway.

The withdrawal, as explained by a *Kuo Min* telegram, was due to the fact that the Chinese front was pressed hard by the heavy Japanese artillery fire personally directed by General Honjo, Commander-in-Chief of the Japanese forces in Manchuria, while the Chinese flanks were outnumbered by the enemy. Communication between the Heilungkiang units under General Ma along the Hulan-Hailun Railway and the volunteers under Li Hai-ching at Chaochow, southern Heilungkiang, had been cut off by the Japanese, and the latter town was expected to fall into Japanese hands at any moment. Among the minor incidents was that a Japanese plane returning from the "front" crashed on the outskirts of Harbin on the night of May 30, seriously injuring the pilot and an observer.

A message from Suihua, May 29 stated that after their defeat by the Japanese army the anti-Manchukuo army at that point were dispersing in all directions. The Japanese, the message added, were preparing for a major offensive north of Suihua. It was reported from Harbin the same day that Japanese troops had occupied Chaotung on the western section of the Chinese Eastern railway after routing Chinese troops

commanded by General Li Hai-ching. The Japanese heavily bombarded the town both from the air and with artillery.

A Harbin message stated that said city was beginning to feel seriously the effects of the war conditions that have now existed for several months in that area. Although food supplies continued plentiful, owing to the difficulties of transportation, prices in Harbin have risen very considerably.

Train service to Suifenho was resumed beginning of last week, but it did not last long as the train crews refused to man trains owing to the frequency with which they were fired on. The manager of the line thereupon ordered the cessation of all passenger traffic on the eastern section of the railway.

The Japanese garrison advancing from Tsitsihar end of last week reached Taianchen 155 kilometers north of Tsitsihar and on the Koshan railway, driving the Chinese troops before it. Japanese reports added that General Ma, hearing of the defeats suffered by his troops on the Sungari river and at Hulan and that the Japanese troops were advancing on Hailun, had retreated from Tetu to Taheiho, opposite Blagoveschensk on the Amur river.

A belated effort was made end of last week to stop the export of Chinese Eastern railway material to Russia. The Chinese police at Manchuli May 26 held up and searched a train that was being sent through to Russian territory. They found it contained railway water pipes and other material and refused to let is pass. Mr. Rudy, the manager of the Chinese Eastern railway, has in the meantime returned to Moscow.

The victims of a recent train wreck at Yablonya near Imienpo arrived in Harbin May 26. The train that was wrecked was bringing refugees from the disturbed areas to Harbin when a good trains in the rear crashed into it at full speed, telescoping fourteen cars. Upwards of a score were killed and many more injured.

Kidnappers are becoming very active in Harbin. On May 26 two children, the ten year old daughter and 14-year old nephew of a former Mayor of Harbin, Sung Wen-yui, were captured and are being held for ransom. The children were travelling to school in a car when they were stopped and carried away by the bandits. The kidnappers have sent him a demand for $100,000 as the price of the safe return of the children.

A Harbin despatch quoted by *Rengo* reports that the Soviet Government is gradually employing a friendly policy towards the Manchukuo Staff, in proof of which is cited the fact that the Soviet authorities have expelled the Chinese consul at Blagoveschensk. At the same time, the Moscow Government is reported to have proposed to the Manchukuo Government to replace the present Chinese consuls at Habarovsk, Vladivostok and Chita by those newly appointed by the Manchukuo Government. This action on the part of Soviet Russia is regarded by the Japanese as the first step towards the formal recognition of Manchukuo by the Soviet Government.

A nation-wide appeal for financial support for the volunteers of Manchuria now fighting against the Japanese invaders and their Manchukuo supporters was issued by the Federation of National Salvation Associations of Shanghai in telegrams broadcast May 24 to all important cities of the country. Besides the solicitation of monetary contributions, the messages also requested that efforts be directed towards the propaganda work so necessary to support the efforts of the volunteers. The telegrams were addressed to Chambers of Commerce, Bar Associations, and other public bodies of the following cities: Tsinan, Tsingtao, Taiyuan, Kaifeng, Sian, Hankow, Changsha, Kiukiang, Wuhu, Chinkiang, Nanking, Changchow, Wusih, Yangchow, Chengchow, Amoy, Swatow, Hangchow, Ningpo, Chefoo, Kalgan, and Shihchiachwang.

Separate messages were also addressed to public bodies in Nanking, Peiping, Tientsin and Canton. The message to Canton stated that, being the birthplace of the National Revolution, Canton should direct the people of South China in supplying concrete assistance to the volunteers of Manchuria. It announced that three deputies are proceeding South to report various matters in this connection and to discuss this question with the local leaders.

The Hopei Provincial Government has despatched a special deputy to Shanhaikwan, to assist the District Government there in conducting negotiations with the Japanese. In view of the small police force there, the District Government has been instructed to organize a Pao-An-Tui (peace preservation corps) of 100 men to assist in the maintenance of peace and order. The Peiping-Liaoning Railway Administration has also detailed railway guards to the Shanhaikwan railway station for garrison duty. A Peking telegram stated that the Japanese garrison units at Shanhaikwan held a demonstration on the afternoon of May 29, more than a hundred armed men, led by the commander of the Japanese attachment, parading along the main streets of the walled city of Shanhaikwan.

JAPANESE NOW FOSTER OPIUM AND GAMBLING IN HONGKEW?

THERE is a considerable section of the Hongkew section of Shanghai which is known as "Li-Hongkew," which term is used to designate the area lying largely north of Hongkew creek which actually is, or was, Chinese administered territory. Now, although most of the Japanese troops have been withdrawn, the Japanese sailors and marines still exercise control in this area which is a sort of no-man's-land between the International Settlement and Chinese-administered territory. On May 26 the Chinese National Anti-Opium Association announced that a large number of opium and gambling dens had been opened in this area. As a result of this report, the *Shun Pao* one of the leading Chinese newspapers made an investigation and published a report showing that a large number of Chinese gamblers and opium dealers who previously functioned in the French Concession have now transferred their activities to the Japanese zone in Li-Hongkew. According to the report the opium-gambling joints originally contributed $300 daily to the Japanese for protection, but since the

traffic has become more prosperous the "contribution" has been increased to $1,200 daily, in return for which sum the joint receives protection. According to the report there were some 25 gambling places and an equal number of opium-smoking joints, the total number of opium pipes being 500 and tax on each pipe being twenty cents a day, thus producing a revenue of about $100 a day from this source. The patrons of the joints are chiefly Chinese laborers. The nominal proprietors or operators are also Chinese, but according to the report the protection rests with a certain Japanese organization. According to the report in the Chinese paper the gambling and opium joints now in operation are as follows:

Shun-Li Company	No. 4, Chi-Shan Terrace, Tientung Road.
Kiu-Fu Company Club	Shan-Teh Terrace, Tientung Road.
Teh-Fa Company	No. 9 Chi-Shan Terrace, Tientung Road.
Kiu-Fu Company (Gambling House)	No. 9 Chi-Shan Terrace, Tientung Road (back door entrance)
Hung-Li Club	Nos. 38-40, Jen-Hsin Terrace, Hung Cheng Village.
Hung-Ching Club	Nos. 50-52, Li-Chung Terrace Hungcheng Village.
Fu-Li Company Club	Shan-Teh Terrace, Wohwa Road.
Fu-Li Company Branch	No. 107, Teh-Jen Road.
Fu-Li Company	No. 146, Linping Road.
Sheng-Li Company	No. 4, Shang-Teh Terrace, Pan-Chi Road.
Hsi-Kee Company	No. 156, Linping Road.
Hung Chang Firm	No. 19, Tien-Teh Terrace, Wohwa Road.
Hsi-Cheng-Chang	No. 88, Teh-Jen Road.
O-Yun-Hsuan	No. 4, Chien-I Terrace, Tientung Road.
An-Loh-Kung	No. 9, Chi-Shan Terrace, Tientung Road.
Hu-Li Company	No. 28, Teintung Road.
Shan Hsin Society	No. 66, Teh-Jen Road.
Yung Chi Society	No. 90, Linping Road.
Sing-Sing Society Branch	No. 99, Teh-Jen Road.
Hsiao-Yao-Hsuan	No. 30 Wohwa Terrace, Wohwa Road.
Shan-Hsin Company	Hsin-Hwa Terrace, Tienpao Road.
Chung-Hsin Society	No. 99, Tienpao Road.
Tien Tien Society	No. 142, Linping Road.
Ji-Ji Society	No. 148, Linping Road.
Kiu-Shun Company	Ching-Shan Terrace, Wohwa Road.

The situation outlined in the foregoing is quite similar to conditions which prevailed in Mukden following the Japanese occupation of that city last September, when dozens of gambling and opium-smoking joints were opened under Japanese protection, most of the places actually flying the Japanese flag.

Death of Former Head of Chinese Customs in Scotland

The death occurred in Scotland May 27 of Sir Francis Aglen, former Inspector General of Customs in China. Sir Francis retired from China in 1928. He was 62 years of age at the time of his death. He joined the Chinese Maritime Customs in 1888 and eight years later was a deputy commissioner. Between 1897 and 1903 he served as commissioner successively in Tientsin, Nanking and Shanghai and after a period in Peking as chief secretary of the Inspectorate General was commissioner in Hankow. In 1910 he became deputy Inspector-General and then Officiating Inspector-General. From 1911 until his retirement he was Inspector-General of the service. Sir Francis left the Far East in 1928 after disagreement with Marshal Chang Tso-lin over administration of the customs in southern ports, then in control of the Nationalists.

IT'S UNSAFE TO WRITE TO FRIENDS IN MANCHOUKUO

DURING the week *The Review* received letters from at least a half-dozen persons residing in different parts of Manchuria and each letter contained a reference to Japanese mail censorship which exists in all of the principal offices of the Chinese Government Post Office. One writer, an American residing in Harbin stated that important communications from Chinese and foreigners in North Manchuria which were mailed to the League Commission failed to reach their destinations. The Japanese-controlled police department in Mukden and Harbin has forbidden any Chinese to have in his possession any Chinese newspaper published outside of Manchuria. Recently a Chinese news agent in the Fuchiatien or Chinese section of Harbin was found to have a Tientsin paper in his possession. He was arrested and compelled to disclose the names of other Chinese whom he had permitted to read the paper and as a result all were arrested and are still held. No local newspaper in Manchuria dares to print anything that the police might interpret as anti-Japanese in nature, the result being that the population of Manchuria is largely in the dark regarding developments elsewhere in the world. Recently there was a reference in these columns to the action of the Japanese military censor in the Chinese Government post office at Newchwang who held up copies of *The Review* addressed to the Newchwang Customs Club despite the fact that the copies were registered and addressed to the foreign secretary of the club. As a result of the Japanese mail censorship no resident of Manchuria, Chinese or foreigner, dares to send important communications through the post office. Foreign banks and commercial houses, who suspect the Japanese censor of attempting to pry into their private business affairs are reported to have adopted the method of sending their communications by private messenger.

COMMUNISTS RECEIVE SETBACK IN AMOY REGION

REPORTS from various parts of China during the week indicated that the activities of the Communist-bandits had assumed larger proportions than ever before in the history of the country. Anhui and Fukien are the storm centers. The Red armies at last reports were in control of the greater part of Anhui province. The first expeditions which had been sent against the Reds in that province by the Nanking Government had generally failed, and in many instances the Reds disarmed the government troops. The 7th Division of Nanking troops was among those wiped out; the 46th Division was disarmed.

Lieutenant Liu Yao-ming, who escaped from the hands of the communists, gave a vivid account of communist activities on the Anhui-Honan border when he arrived at Chuhsien recently. He said the Red armies under Hsu Sien-chien, Commander of the 4th Division and Kwang Chi-huan, Commander of the 25th Division, invaded Anhui about a year ago from Hsiaokan in Hupeh, and since then they have made it a stronghold. Although several expeditions had been despatched by the Nanking Government to suppress them, yet none has proved victorious.

General Ho Ying-ching, Minister of War in the Nanking government, who arrived at Nanchang some time ago to direct bandit suppression in Central China, issued an order end of last week appointing Generals Liu Chien-shu, Yu Han-miao and Chen Cheng, field commanders respectively for Hunan, Kwangtung and Kwangsi. Meantime, the aviation bureau at Nanchang has ordered the Nos. 5 and 7 planes to fly to Kwangsi to participate in a rigid suppression of the Communists there. Announcement was made during the week that General Chiang Kai-shek would personally proceed to the Wuhan area to superintend the bandit suppression activities in the Wuhan area.

Nanking circles were much elated by the news received from Amoy that the communist forces which had hitherto occupied Changchow city and its surrounding districts, commenced to withdraw on May 27, finishing their evacuation three days later. The communists however still control the towns of Lungyeng and Nanching, southern sections of Fukien province, where they have established their headquarters.

Changchow and its vicinity were totally looted and devastated. The communist commander at the time of his withdrawal issued a statement to the effect that the Red forces did not wish to damage the good record which the 19th Route Army had established in their fight with the Japanese, and were thus retiring to the south, although they (the communists) could rout the 19th Route Army, which had been sent to Fukien from Shanghai to fight the Communists, at any time if they so desired.

The Government also received heartening news from the Anhui-Honan border on May 31. The 1st Division, under General Hu Tsung-nan, was reported to be advancing on Luan, a detachment already having reached Shuchen. The Communist forces at Luan were preparing to evacuate, retreating towards Yingshan on the Anhui-Hupeh border. News of the arrival of part of the 1st Division at Shuchen relieved anxiety over the safety of foreigners in Hopei, among them seven Americans. Later reports from Hopei stated that the hospital there was filled to capacity with Government soldiers wounded in fighting with Communists in that vicinity.

SHANGHAI POSTAL STRIKE COMES TO SUDDEN END

THE strike of the postal workers at Shanghai collapsed after the service had been paralyzed for five days. The Shanghai postal workers resumed their duties on the evening of May 26. The postal service at the various outports was resumed at the same time. Credit for bringing the strike to a sudden end goes mostly, it seems, to General Wu Te-chen, Mayor of Greater Shanghai, who, although promising the postal workers that their "demands" should be enquired into, was none the less insistent that they should go back to work at once. At a conference called by Mayor Wu in the French Concession on May 26, at which Mr. Chen Kung-po, Minister of Industries, various business leaders and eight representatives of the strikers were in attendance, Mayor Wu demanded that the strike be called off pending investigation of conditions leading to discontent and grievances against the present postal system. He reminded the workers that on the previous day the strikers' demands had been met in principle. The mayor stated that he had every confidence that the committee which had been appointed to investigate the postal situation would be able to find a satisfactory solution to the post office labor problem. Loh Chin-tze, recognized as one of the most powerful leaders of postal employees, who was present at the conference, thereupon requested that he be allowed to confer with the strike committee.

The mayor demanded immediate action threatening that if the postal workers failed to resume their duties promptly, further negotiations would be dropped. Loh called off the strike about half an hour later and, as above stated, the force resumed its duties the same evening.

The terms of the agreement which ended the strike are as follow:

1.—That the representatives assembled at this meeting accept in principle the demands of the Postal Employees' Association and the Postal Workers' Union and in turn, shall submit them in petition form to the Central Government.

2.—That the members of the Postal Employees' Association and the Postal Workers' Union shall at once resume duty while a postal committee shall be formed to study the postal economical situation and to discuss the suggestions contained in the demands of the two postal employees' organisations and ways and means of putting the same into effect: and

3.—That the findings of the special committee shall be submitted to the Central Government, through Mr. Chen Kung-po, Ministry of Industries, and General Wu Te-chen, Mayor of Greater Shanghai, for execution.

There is an annexe to the second term of settlement this reading as follows, "That the delegates of the Postal Employees' Union and the Postal Workers' Union shall be permitted to take part in the discussions referred to in article No. 2."

In connection with the strike movement Mr. Wang Ching-wei, the President of the Executive Yuan, on May 26 issued a circular telegram to the various provincial and municipal governments instructing them to take effective steps to prevent a further spread of the trouble. In this telegram Mr. Wang said:

(1) That postal employees who did not join the strikers would be suitably remunerated by the Ministry of Communications.

(2) That in places where a strike had already been declared postal employees should be advised that unless they returned to duty within 24 hours they would be dismissed the service; local telegraph offices, chambers of commerce and similar organisations should organise temporary offices for handling postal matter, at the same time securing substitutes for the men dismissed.

(3) In the case of peace and order being disturbed by the strikers the local authorities should adopt drastic measures to meet the situation.

(4) In case of the resignation of a postmaster the local chairman of the Chamber of Commerce should be given temporary charge of the postal administration.

(5) In places where strikes occurred the strikers should be ordered to hand over any stamps they had to the Post Office.

A Nanking telegram states that the proposed special committee to consider postal economic problems will be composed of fifteen members, of whom four will be nominated by

the Government and seven by the civic organizations in Shanghai whose mediation was largely responsible for the early resumption of work. The postal workers and employees will also have four representatives on the committee. It is understood that Mr. Chien Chun-chi, Director-General of Posts, who was dismissed from his post and arrested on the charge of having allegedly instigated the strike, will be released shortly; the court, after preliminary investigation, found that there is no valid ground for prosecution.

JAPAN'S "NATIONAL" CABINET STARTS TO FUNCTION

THE Japanese Premier elect, Viscount Minoru Saito, completed the task of forming his new Cabinet on May 26. He proceeded to the Imperial Palace shortly after noon on that date and presented to the Emperor the list of the new Cabinet Ministers. The appointments of the new Ministry as they stand at present are:

Premier and Foreign Minister ..... Admiral Viscount Minoru Saito
Home Minister ..... Baron Tatsuo Yamamoto
Finance Minister ..... Korekiyo Takahashi
War Minister ..... Lt. Gen. Sadao Araki
Navy Minister ..... Admiral Keisuke Okada
Minister of Justice .....Dr. Matsukichi Koyama
Minister of Education .....Ichiro Hatoyama
Minister of Agriculture and Forestry ..Fumio Goto
Minister of Commerce and Industry ..... Baron Kumakichi Nakajima
Minister of Communications .....Hiroshi Minami
Minister of Railways .....Chujo Mitsuchi
Minister of Oversea Affairs .....Ryutaro Nagai
Chief Cabinet Secretary ..... Zenzaburo Shibata
Chief of Legislative Bureau ..... Zenjiro Horikiri

At the last moment Lieutenant General Araki elected to remain as Minister of War. Viscount Saito thereupon decided to appoint General Hayashi (who had been offered the post of Minister of War), Director General of Military Education. In this capacity he will succeed General Muto, who resigned on the ground that he was technically responsible for the participation of military cadets in the bomb outrages in Tokyo on May 15, when Premier Inukai was assassinated.

Count Kodama, having declined to take up the post of Governor-General of Formosa to which he was appointed, (the post rendered vacant by the appointment of Mr. Minami as Minister of Communications), Mr. Kenzo Nakagawa, Vice-Minister of Education, has become the new Governor-General. He was formally installed into office May 27.

As will be noted, the new Cabinet contains three official Seiyukai members, namely Messrs. Takahashi, Hatoyama and Mitsuchi, and two Minseito members, Baron Yamamoto, and Mr. Nagai. General Araki, Admiral Okada, Mr. Koyama and Mr. Nakajima are considered to be without party affiliations. *Reuter* says that although there are already gloomy prophets predicting that internal friction between the Seiyukai and Minseito ministers will cause the new Cabinet to be short-lived, there is a general feeling of relief that Viscount Saito has successfully completed the organisation of the Cabinet, as the Government will now be able to set to work to tackle the difficult task ahead without more ado.

An outline of the new Government's policy to cope with the situation was explained by Premier Saito at the first session of the Cabinet Council to obtain the understanding of other Ministers, held at Tokyo May 26. Referring to the budget estimate for the next fiscal year, which had already been compiled by the preceding Cabinet, the Premier expressed his hope for the early approval of the Diet regarding the army and navy expenditures for the Manchurian and Shanghai incidents. The Premier also explained his plan for the "purification of political parties and stabilization of the people's minds"—which a *Rengo* message points out, are the major problems at present.

The salient points of the Government's fundamental policy are understood to be as follow:

1. Reform of diplomatic policy: Establishment of a positive" policy toward Manchuria and Mongolia.
2. Stabilization of National life; Relief of agricultural villages; and Development of Industry.
3. Purification of political circles.
4. Thought guidance.
5. Reformation of the system of the Bank of Japan: Readjustment of customs tariff: National control of foreign exchange.
6. Strict discipline of the Army and Navy.
7. "Stabilization of people's minds."

The selection of Vice Ministers is seen as the first rift in the new Cabinet. The Seiyukai party is strongly advocating the selection of the Political Vice Minister of Home Affairs from its own party. The Seiyukai raises objections to the selection of Political Vice Ministers from different parties than those to which the Ministers belong. They urge that the Ministers and their Vice Ministers should be chosen from the same party, in order to establish complete harmony between the two and thus obtain the best results from a coalition Cabinet.

An announcement of the new Government's foreign, financial and general administrative policies was scheduled to be made at the Extraordinary two-weeks session of the Diet which opened at Tokyo June 1.

In an editorial on the new Japanese Government, the *London Times* May 27 suggested that the appointment of Viscount Saito indicated the possibility that an attempt is to be made to cure the country's political malady by reverting to methods employed with such marked success up to 1918, when Prime Ministers had little real connection with parties in the Diet. The article suggested that the national dislike of subversive ideas explains the tolerance with which the irruption of the military elements into politics has been received in Japan. The paper further commented on the fact that although the Shanghai adventure is now held to have been a mistake yet the absence of the slightesst sign of weakening of national determination to have the last word on Manchuria, shows that the recent crisis was an internal one. The article ascribed the fundamental cause of unrest in Japan to economic conditions and thinks that the new Government, pending general economic recovery, can apply little more than palliatives, which may not appease the critics.

CURIOUS CONTRAST BETWEEN U.S. EDUCATION AND POLITICS

CHESTER ROWELL, well-known California publicist and lecturer, who recently has been appointed editor-in-chief of the *San Francisco Chronicle*, contributed the following paragraphs to his column which appeared in the issue of the paper for April 28,

"A curious contrast between the policies of American education and of American politics is shown in the case of Ming Hwa-wei, graduate of the University of California, who submitted a thesis for his master's degree on Communism in China. The thesis was found acceptable, as a contribution to scholarship, by the faculty of the University to which it was submitted, but it was also found seditious by the immigration authorities because it was about Communism and may even have betrayed some sympathy, by its Chinese author, for the Communist movement in China. So Mr. Ming was held for deportation. Now university men, faculty and students, probably none of them Communists or Communist sympathizers, are contributing to pay the way of this American-educated Chinese to some country where there is more liberty than he can evidently now find in either China or America.

"If this is the policy of the immigration authorities, they would do well to turn their attention to Stanford University, also. In that library is probably the finest collection of Communist literature and original manuscript sources outside of Russia, all contributed by that eminent Communist, Herber Hoover, and constituting one of the most valued sections of the Hoover War Library. Professors, graduate students and research assistants, some of them—horrors!—Russians, are busily collating and editing that material and publishing the best of it to the world, under the imprint sometimes of the Stanford University and sometimes of the University of Chicago press. The money for this work is contributed by that other eminent Communist, John D. Rockefeller, from the Laura Speliman Rockefeller fund, dedicated to the honor of his equally Communist wife. Some of this work has been done in collaboration with scholars of the University of California, whose salaries are paid, and whose opinions some super-Americans of the 100 per cent variety think should, therefore, be censored by the State. All these people think the history of Communism, in Russia and in China, is worth studying. Doubtless those of them who are American citizens are liable under the criminal syndicalism act, and any who are aliens are subject to deportation. This will bear looking into."

DELAY IN U.S. TAXATION LEGISLATION ACCENTUATES ECONOMIC CRISIS

ADVICES from the United States during the week regarding the industrial and financial situation were of a gloomy nature. As is well known, the United States faces a deficit this year running into thousands of millions of dollars, and the ways and means of raising the necessary funds have been discussed by the Administration and Congress for many weeks without any final bill being framed. The effect of the delay in framing the tax legislation has been to undermine considerably the confidence of the public not only at home but abroad, with the result that the American stock markets end of last week recorded a new series of low prices. The gold exports from the country continue to be considerable and a recent New York telegram stated that the attention of financial quarters is focused on these gold exports and that numerous observers believe that they are determined by propositions submitted to Congress. It will be recalled that several weeks ago the House of Representatives turned down President Hoover's suggestion of a general sales tax. The most recent development in this connection was that President Hoover called a conference at Washington of the leading newspaper publishers. At this meeting it is understood that the Sales Tax proposal recently rejected by the House of Representatives was specifically considered in the course of discussions centered mainly on means of breaking the present legislative embroglio. President Hoover expressed the opinion that the tax, if introduced again, would receive more votes than it did previously. In the course of the debates in the Senate, Senator Harrison, a Democrat, demanded immediate action on the Sales Tax proposal in order finally to dispose of it. Senator Reid, a Republican, declared that failure to take action on the proposal was causing a run on gold in the United States. Apparently as a result of President Hoover's efforts the Senate passed the sales-tax bill on May 31 and according to report also acted favorably on the entire revenue act.

The gravity of the economic crisis in the United States is shown in a recent number of the well-known weekly journal, *The Nation*, which pointed out that wholesale prices in America have fallen to the 1899 levels after the greatest collapse of the century and prices still are sagging. Railways show deficits and prices of stocks and bonds are daily declining. Prices of farm produce are so low that fruit is not worth picking and grain hardly worth planting and farms are unsalable. There are millions of unemployed and among them hundreds of thousands hungry and desperate.

The House of Representatives May 27 passed the Steagall Bill, designed to create a Gold $1,000,000,000 pool guarantee deposit in member banks of the Federal Reserve system. The bill is intended to permit expansion of Federal Reserve currency and thus to ease the banking situation of the country.

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Bad as conditions are in the United States they are apparently worse in Europe. "We are likely to have a complete collapse in Europe within the next few months and may be faced with a graver situation than the United States," declared Mr. L. M. S. Amery, a former Conservative Minister, in a speech before the Oxford University Conservative association. The world's monetary standard, he said, could not be restored for a long time and he expressed the opinion that very little could be hoped for from the Lausanne Reparations Conference that would affect the immediate future. Even if all war debts were remitted the relief would only be slight, he said; but there was little hope of them being remitted because it was hardly to be imagined that France would give anything to Germany, which country might soon be governed by Herr Hitler.

A Berlin telegram reports that the import of bar silver into Germany has increased considerably since last summer, now totalling nearly Marks 6,000,000 per month, where in July, 1931, it did not exceed Marks 350,000. This is the consequence of the financial crisis of last summer and the monetary policy adopted since then by the Reichsbank. Up to December Germany had been covering its silver needs largely from the United States and Mexico who during the last six months exported a monthly average of 107 tons of silver to Germany. Now England has become the chief furnisher of the metal. Her monthly exports have gone up from 17 tons last year to 93 tons this year, while German imports of silver from the United States and Mexico have fallen

to 36 tons. Imports from Holland have gone up from two tons per month in 1931 to 31 tons in 1932.

There has been a steady flow of gold into France during the past several months, but an early check in this movement was indicated by the weekly returns of the Banque de France published in Paris May 25. Gold imports during the week totalled 250,000,000 francs and the gold reserves of the bank have now reached the enormous figure of 79,000,000,000 francs, but this addition was more than offset by the shrinkage in foreign currencies which were reduced by 866,000,000 francs to 9,750,000,000 francs, against over 20,000,000 on January 1, 1932. From these figures it would appear that the French gold imports during the last few months were not genuine imports but represented merely foreign currency holdings converted into gold. This process, a *Transocean* message points out, must however, soon stop, as the Banque de France must hold its reserves of foreign currencies at something like the present level. It must, therefore, be expected that the import of gold on an abnormally large scale which is regarded as one of the causes of the depression will soon come to a normal end, because France has long ago reached the saturation point.

British Opinion on the Far Eastern Situation

ELSEWHERE in this issue of *The Review* appears an article by Commander J. M. Kenworthy of the British House of Commons (*Outlook* for March) which casts considerable light on British policy in connection with the present Sino-Japanese situation. According to this well-known member of the British Labor Party there are certain well defined groups in England which have favored the Japanese over the Chinese, the first group being composed of members of the older generation who still are living under the influence of the defunct Anglo-Japanese Alliance. Next is the younger generation which remembers the Japanese entry into the World War on the side of the Allies. A third group still regards Japan as the policeman of the Far East who keeps insurgent, disorderly China in check. This group including many British business men hoped Japan's action would make trading conditions easier in the Far East. But the most important pro-Japanese group in England according to Commander Kenworthy includes the upper-classes—society, officers of the army and navy, diplomacy—who regard Japan as a monarchy with an aristocratic government and imperialistic sentiments. Finally there is a smaller group, also favorable to the Japanese, who felt that Japanese activities in Manchuria would lessen the pressure on Australia.

However, Commander Kenworthy believes that the Japanese intervention at Shanghai—into the very heart of the so-called British sphere in China—has had the effect of disillusioning most Englishmen on Japanese activities; hence he advocates united Anglo-American action to curb the ambitions of the Japanese military clique which has plans for world domination. Specifically he advocates an Anglo-American-Dutch boycott of the Japanese, commercially, financially, socially and diplomatically, as the only means of saving Japan from the destruction which her own militarists and imperialists are plotting. America, Britain and Holland control practically all the world's rubber, tin, oil, jute, cotton, and other essential raw materials which Japan requires for her industrial well-being. To deprive Japan of these materials, plus the closing of important foreign markets to Japan's products "would speedily bring Japan to her knees and force changes in Japan's govermental structure which would eliminate the menace of the present constitutionally uncontrolled military-ruling caste."

Aside from Commander Kenworthy's exposition of British sentiment on the present situation in the Fast East there have been indications that Great Britain has come to see the Sino-Japanese crisis in clearer light. At the recently held 34th annual general meeting of the British and Chinese Corporation, Ltd., it was shown quite clearly that Japanese military activities both in Manchuria and at Shanghai have been greatly prejudicial to important British investment interests, notably the Peiping-Mukden, Tientsin-Pukow and Shanghai-Nanking railways. All three of these important railways containing heavy British investments have suffered severely from the Japanese military intervention, so severely in fact that it often has appeared that the Japanese were aiming particularly to cripple these British interests. British interests in Manchuria, along with American interests, have been almost completely stifled as a result of the Japanese occupation. As a result of this situation, the *United Press*, in a recent report from Nanking, forecasted an almost complete re-orientation of British policy and suggested that British policy would turn more and more toward China as a result of the present Sino-Japanese conflict. A *Reuter* dispatch from London on May 27 quoted a report from the *Times* to the effect that a number of large industrial concerns had formed a new company with the object of promoting the development of large engineering projects in China. The new concern will be known as "Dorman Long and Associates" and will include the following: Dorman, Long and Co. Ltd. Metropolitan-Vickers Electrical Export Co. Ltd., Babcock and Wilcox, Ltd., Callender's Cable and Construction Co. Ltd., John I. Thornycroft and Co. Ltd., Beyer, Peacock and Co. Ltd., Tilbury Contracting and Dredging Co. Ltd., and the Edgar Allen and Company groups. The combined resources of these companies in technical information and advice will be placed at the disposal of the authorities in China with a view to bringing public works to fruition. It is also expected that the combination will facilitate the financing of large schemes.

Of interest in connection with the foregoing was a report in the *News-Chronicle* on May 9 by H. Wilson Harris which had the following to say on the question of British assistance to China:

> China is not in complete anarchy today. To say that is to say a good deal too much. But neither is China in a state of order. She is not even progressing with any sufficient speed towards a state of order. That is not the fault of able and patriotic men like General Chiang Kai-shek, Mr. T. V. Soong and others, who are grappling with resolution and courage with a situation beyond their

control. But they need help, experienced help, disinterested help, such as can at present only be found outside China.

It is no new thing for Chinese Governments to enlist such assistance. Among Englishmen—to name no other country—who have counselled China wisely in the past may be mentioned Sir Robert Hart, Dr. Morrison (though he was an Australian), and much more recently Sir Frederick Whyte. But it is not a case now of picking men from one particular country, whether Britain or America or Germany or any other. That tends to arouse too many suspicions both inside China and outside it. What needs to be done must be done internationally if possible.

And of course it is possible. The League of Nations exists to provide precisely the kind of assistance that China stands in need of, and since China is not only a member of the League, but at present holds a seat on its Council, she would be taking the most natural and normal course in applying to the League for enjoyment of the advantages League membership confers. That being so it is not surprising that important conversations are in progress in British and American circles (for Americans feel no jealousy of the League in such a matter as this) with a view to finding means of convincing China quietly where her real interest lies.

For any initiative must, of course, be taken by China herself.

One of the hopeful signs of growing enlightenment is that we are hearing a good deal less than we did of irresponsible talk about "the League going in and running China." The League can no more go in and run China than it can come in and run Great Britain. China is to strengthen her Government, not to weaken it.

The League can help to do that by not only giving considered and expert advice on such matters as health and education and finance, railways and roads and river transport and police—on all of which it has the best experience in the world at its disposal—but by recommending the best technicians it can find to go to China and help administer such services. And experts recommended would be engaged by the Chinese Government as its servants, as Sir John Hope Simpson has been engaged as Flood Commissioner on the League's recommendation at the present time.

Already China has resorted to the League for some help in regard to health, education, transport and financial administration. That collaboration needs to be widely extended, and it may have to develop first in Manchuria, for when the question of a settlement there arises the League will certainly not be content to advise a mere return to the status *quo ante* even if that were possible.

Japan, on the other hand, has declared that all she seeks in Manchuria is safety for Japanese life and property, and if that can be guaranteed by China in conjunction with the League, as it cannot be by China without the League, disaster and danger may be turned into positive advantage.

All this, it may be repeated, is both China's affair and the world's affair, and it demands the world's attention as well as China's.

U. S. and Britain Support China in Opposition to Round-Table-Conference

According to a report published in *The China Press* on June 2 the Foreign General Chamber of Commerce has petitioned the Shanghai Consular body and the Diplomatic corps to urge the foreign Powers to convene a round-table-conference, the reason being that the present deadlock on outstanding questions was highly prejudical to the present status of the foreign Settlements. It was claimed that the British, American, French, Japanese, Italian and Dutch chambers had approved a resolution to the foregoing effect.

THE question of whether there will be a round table conference to discuss the situation in Shanghai has been very much to the fore during the week. There is a very determined movement among the local western community, headed by the British, to bring about such a conference, the general object being to re-establish some of the foreign control which had been lost to the Chinese during the past several years, and if possible also to extend the powers of the Foreign Municipality beyond its present limits. Back of all this movement is to be seen the hand of Japan, which it is a foregone conclusion would reap most of the benefits—if there are any—from any extension of foreign power in Shanghai. Such a plan if carried out would enable the Japanese to hide behind the Municipality whenever Chinese resentment should be aroused, just as was the case at the time of the May 30 incident when the Foreign Municipality of Shanghai was drawn into a dispute which was primarily of Japanese origin, and in the end had to bear most of the odium, while the Japanese "got out from under." It is somewhat surprising, in view of what has gone before, to see the Shanghai British community allowing itself to be made use of by the Japanese—which is really what is going to happen if the present movement bears any fruit. The British must have very short memories indeed if they do not remember that it was they that had to bear the brunt of the Chinese resentment at the time of the May 30 (1925) incident, although it was the Japanese who really were responsible for the conditions which led up to it. It was merely incidental that it happened to be British employees of the Municipality who fired into the crowds of Chinese students when they were demonstrating against the Japanese.

The Chinese attitude on any round-table conference has on numerous occasions been made clear and was once more reiterated during the week by Mr. Quo Tai-chi, who has in the meantime been offered the position of Minister of Foreign Affairs or Minister to Great Britain. "What China wants," said Mr. Quo "is a conference at which both the Shanghai question and the Manchurian issue can be discussed, since the two are inter-related and inseparable, but since Japan has repeatedly declared its refusal to allow others to interfere in Manchurian affairs, it is apparent that the question of Manchuria cannot be brought up at a round-table-conference, in which case China will naturally refuse to participate." In view of these divergent views, Mr. Quo proceeded, the suggested conference can not to be realised. The report that the question of making Shanghai a free city, or a neutral zone, would be discussed if and when a round-table-conference was convened was unfounded, declared Mr. Quo.

The proposed round-table-conference was referred to in the House of Commons May 26 when Mr. Morgan Jones, a Labor member, asked the Foreign Secretary if he would make a statement regarding negotiations with the Japanese Government with a view to discussion among the Great Powers of an agenda for the round-table-conference in Shanghai and whether it was proposed that the Chinese Government should participate in the negotiations from the outset. This Labor

member asked the Foreign Secretary for an assurance that the British Government would not participate in such discussions except with the full participation of the Chinese Government and that no attempt be made to secure the agreement of the Chinese Government to any change in the status of the International Settlement in Shanghai at present in view of the League Assembly resolution of March 11 to the effect that seeking a settlement of differences under stress of military pressure is contrary to the spirit of the Covenant of the League.

Captain Anthony Eden, Under-Secretary, replied in the absence of the Foreign Secretary. He said confidential discussions, which it would be inaccurate to describe as negotiations, had recently been initiated by the Japanese Minister for Foreign Affairs with certain foreign ambassadors in Tokyo concerning a round-table-conference in Shanghai to be established in accordance with the League Council's proposal of February 29 last. The Under-Secretary added that it would be impossible to hold that conference without the participation of the Chinese Government. The agenda, said the Under-Secretary, had not yet been considered but the conference, when called, would certainly be governed by the principles laid down by the League Assembly resolutions concerning the Sino-Japanese dispute.

The Chinese Chamber of Commerce in a lengthy reply to the circular letter sent to foreign chambers by the British Residents' Association in which their approval is asked for a resolution calling for a round-table-conference of world Powers to settle the status of Shanghai, points out that Western nationals will become victims of the intrigue and ambition of Japanese to further their own interests in China if they give their support to any proposition that would tend to alienate Shanghai from China and thus intensify Chinese antagonism toward foreigners in general.

The text of the Chinese Chamber's letter is as follows:

Dear Sir: According to the local press a letter has been addressed by the British Residents' Association to the various foreign chambers of commerce in Shanghai expecting them to agree to certain resolutions concerning the under-mentioned problems and to make strong representations to their respective governments on the necessity of calling a round table conference whereby these and other problems will be settled by the various Powers of the world.

The said resolutions show that the following three problems are alleged to be the causes of frictions and disputes which have arisen recently: (1) the working of the Special District Courts. (2) the administrative control of extra-concessional or "outside" roads and (3) the presence of armed Chinese forces in and around Shanghai. Besides, it is alleged that unless these "outstanding problems" are settled simultaneously there can be no hope of a permanent and satisfactory solution of the recent Sino-Japanese situation.

Great is our surprise to find that opinions like these should be framed into resolutions of an association. Since, from the standpoint of international friendship, China is no less a friendly nation to Great Britain than Japan, we do not see any reason why these British friends of ours should entertain the idea that Japan alone is to be satisfied. One must not overlook the fact that the fulfillment of any scheme intended for the satisfaction of the Japanese at the expense of China would but serve to sow the seeds of future disasters which though dormant for the time being, would certainly grow more and more serious with the advance of time.

Again, from the standpoint of Sino-foreign commercial relations, we feel that in handling a question of such vital importance it is indeed out of place to take steps entirely based upon considerations for the wishes and interests of the Japanese, without first inquiring for the public opinion of the Chinese business community who are, among others, lords of the soil.

In February of the current year, when war was raging in the Shanghai-Woosung area, an official of the Japanese Foreign Ministry launched the proposal of turning the cities of Tientsin, Tsingtao, Hankow, Shanghai and Canton into demilitarized districts. This was an attempt to probe the public opinion of the various Powers. Thereupon the views of the Chinese businessmen were represented in a manifesto issued by this chamber, claiming that no country could tolerate any interference by another as to the stationing of its own troops on its own soil. Moreover, the idea of such a proposal was sneered at by the various Powers. All this prevented Japan from going on with the proposal which she consequently declared as being only the personal opinion of the said official. And now we are again confronted with the "free city of Shanghai" question, which is but a scene of the play staged by the Japanese.

So far as we can see, Japan's motives in advocating the "free city of Shanghai" are as follow:

1. Because the commerce of the various Powers in Manchuria has greatly declined since she wrung these provinces from China and monopolized all interests there, she tries to launch this proposal as a gesture of goodwill towards the Powers concerned.

2. Because the commercial interests of the various Powers in Shanghai have suffered as a result of months of warfare in this part of the country, she expects them to consider that she is now trying to make good the losses they have sustained and hopes to coax away their indignation by this means.

In this connection we venture to offer our friendly nations a few words of sincere advice. As a matter of course, all foreign businessmen in China cherish the hope for the promotion of their trade interests and for the security of this great city. To attain this end, no other means is needed than the adherence to justice and righteousness; for it is the goodwill from the depths of four hundred million hearts that proves to be the most efficient salesmen and the strongest bulwark for their protection.

Jealous of the apparent longstride progress of commerce in China on the part of the various Powers ever since the forcible occupation of Shenyang last year, Japan is trying to involve the Powers in their knotty problem of a "free city," so as to deal a blow to the existing friendly relations between China and the Powers. It is a matter of fact that the masses of our country are driven into bitter resentment by Japan's forcible occupation of Manchuria and her attempt to infringe upon our territorial rights in Shanghai. For the aggressions in Manchuria Japan alone is responsible; whereas the "free city" question is so intended by Japan that it will constitute an activity in which the other Powers follow her lead. Would it not serve to direct the feeling of resentment of the Chinese people against the latter and would it not be a first step in the success of Japan's diplomacy? We are therefore led to think that the British Residents' Association has already been misled by Japanese diplomacy.

An analysis of the whole situation will bring to light that the recent war in Shanghai is to be attributed to:

1. The ambition of Japanese naval officers who intended to vie with the army in their activities by invading Shanghai (of this we need no other proof than the fact that the Japanese Foreign Ministry had more than once unofficially declared that the Shanghai case was to be left to the disposal of the naval officers) and

2. Japan's intention to invent an opportunity to establish in Shanghai a concession solely under Japanese control. As Japan has already made the

(*Continued on page 34*)

Japanese S. M. R. Railway Benefits as Result of Chaos on C. E. R. Line

(From the Review's Special Correspondent)

Changchun, May 27.—

DESPITE the increasing number of their troops in Manchuria the Japanese expeditionary forces continue to find a great difficulty in their fighting the Chinese Self-Defence Army. The brigade of General Muray, that had operated along the eastern line of the C. E. R. came to Harbin to take a rest last week. New troops have been despatched from Harbin to reinforce the Japanese troops operating at several battle fronts. Several units of the 14 Japanese division are on their way to Harbin.

It is of considerable interest to note that the Japanese have been so far unsuccessful not only in their efforts to defeat the Chinese, but also in their efficient guarding of the eastern line of the C. E. R., used by the Japanese for transporting their troops, provisions, and war supplies. Both freight and passenger traffc on this line has been interrupted since about April 20 last. The line has been torn up at many places, a number of bridger were destroyed; and the loss, that is the sum of money to be expended for repair of the line, will amount to millions.

Without going into a discussion the question of whether it is possible or not for the Japanese troops under the present circumstances of the guerilla warfare to defeat utterly the Chinese, we are going to say judging from our personal experience got in the past wars that with the number of troops which they have on the railway line maintaining order on the railway, so that the traffic would not be interrupted, is a thing quite possible for the Japanese.

By not using their best efforts to keep order on the C. E. R. the Japanese may be supposed to pursue their own interests in the lines, both political and economic. One of their political interests of the present moment seems to consist in bringing more troops and war munitions to Manchuria. So the disorder on the railway may be given out by them to the outside world as an excuse for bringing a great number of troops to this country. Moreover, if one looks at the map of Manchuria one will see that the Japanese troops, having their military bases at Harbin and Tsitsihar, in their fighting the Chinese are slowly but steadily moving towards the Soviet Manchurian border in three main directions: along the eastern line of the C. E. R., by the Sungari river, and the Huhai railway, and when events in the west of Harbin develop they will move also along the Tsitsihar-Keshan railway. Whether the advance of the troops as it is being directed by the Japanese is, from the strategic viewpoint, menacing to the Soviet Army on the border we shall leave for persons versed in strategics to judge, confining ourselves to mentioning that in their advance as described above and bringing more troops and war supplies to Manchurian centres the Japanese may have, besides the purpose of fighting the Chinese, some ulterior motive.

The Japanese economic interest in not maintaining traffic on the C. E. R. lies is that the South Manchurian railway and the port of Dairen are handling much of the cargo, that if the traffic were normal on the C. E. R. would be handled by it and by the Russian port of Eguersheld. Thus, the Chinese Eastern railway and the port of Eguersheld and the Ussuri railway are deprived of a considerable portion of their revenue in favor of the Japanese railway and the Japanese port of Dairen, which, of course, greatly displeases the Soviets.

Japan May Cause Movement in Mongolia

Russkoye Slovo, a local Russian daily paper devoted by the editor and publisher exclusively to things political, contained in one of the recent issues an article stating that the Japanese conquest is not to stop with Manchuria. The author of the article had it set in bold type on the first page of the paper that the Japanese plan includes also an item providing for forming an independent buffer state of Mongolia. He further states in the article that events of great political significance may happen soon in Mongolia in the same way as they are taking place in Manchuria.

The Japanese Control the Administrative Establishments in Manchuria

The League's Enquiry Commission has been at its work in Harbin since the 9th of this month. The work of the Commission has been reported to consist at the present moment chiefly in making investigations as to the causes of the present Sino-Japanese conflict, and the causes for the establishment of the new state of Manchukuo, and in trying to find out what is the attitude of the population of Manchuria towards the new government of the country and the events taking place in connection with the setting up of the new government.

Japanese Advisers Are Administrators in Disguise

Making inquiries into the causes as stated above and watching closely the current events here the Commission cannot help considering how far the Japanese have gone in their attempt at taking possession of this rich extensive country; for excepting the customs the work at all the administrative establishments in the country is now conducted under the direct command and control of Japanese advisers appointed by the new authorities. And these Japanese advisers are the actual administrators in disguise. To conceal the real state of things in the administrative offices from the Enquiry Commission a telegram from Changchun was sent to Harbin just before the arrival of the Commission in this city to the effect that all the foreign advisers should be dismissed from their offices. This, perhaps, means that the advisers are to keep away from their offices during the period of the Enquiry Commission's stay at Harbin, and are to resume their duties at Changchun on the Commission's departure from the city. The introduction of Japanese (in the local official terminology—foreign) advisers has been the only reform of administrative nature achieved by the new authorities since the new government was set up.

New Battle-Front Opened in Manchuria

While the League's Commission, the envoy of peace, is staying at Harbin and working for restoring peace, the desperate fighting that began on September 18, last year, is raging at many places in the fields of Manchuria, where the Self-Defence Kirin Army ever since the above said date has been opposing the army of the Japanese invaders. Battles are reported to be numerous and with heavy casualties on both sides. Rumors state that at a battle fought around the town Utzemcho on the eastern line of the C.E.R. 136 Japanese soldiers were killed, and several hundred on the Chinese side. Sometimes battles are fought simultaneously at many different places in the areas around the eastern line of the C.E.R., the Sungari river, and the Huhai railway. A new battle front opened of late to the north-west of Harbin, where a Japanese air-plane bombed a Chinese garrison at a village in Heilungkiang province. General Ma-Chan-Shan, governor of the province and concurrently Minister of War of the Government of Manchoukuo, rejecting the high posts, declared himself an enemy of the government created by the invaders. New General Ma leads his 25,000 patriotic warriors against the Japanese expeditionary forces. His army is reported to be armed with a powerful artillery and has seven airplanes. At the outbreak of the conflict Gen. Ma, then Governor of the district of Sakhalian, and Deputy Governor of Heilungkiang Province, was in command of the Chinese forces defending Tsitsihar against the Japanese. After offering a very strong resistance on the banks of the Noni river Gen. Ma withdrew his troops to the country to the north of Heilungkiang. And there with a view to further fighting the enemy he started to reorganize his army, to recruite soldiers and enlist volunteers who crowded to his staff looking on him as a national hero who could lead the Chinese people in their fight against the Japanese.

The Japanese Military Mission at Harbin headed by Colonel Doihara, seeing a strong champion of China in Gen. Ma entered into negotiations with him, with the result that Gen. Ma, talked over, apparently, to his way of thinking by Gen. Chan-Tsin-Kui and others, joined the

new government, the latter bestowing upon him the above said high posts in the Government.

The settling of the question with Gen. Ma was regarded by the Japanese as a considerable success both in the line of war activities and the policy of Japan in Manchuria. Colonel Doihara, Head of the Mission, who had a great influence in shaping the Japanese policy in North Manchuria was promoted to the rank of General; but to what extent the promotion was due to his successful handling of the affair in connection with Gen. Ma's coming over to the new government's side is, of course, impossible to ascertain.

However, when the true objective of the Japanese, of becoming supreme masters of Manchuria, became quite clear and evident to General Ma-Chan-Shan, he revolted against the new government. Gen. Doihara was recently recalled from his post at Harbin. And it may be supposed that the recalling was to a certain extent caused by his finally losing the game played by him with Gen. Ma.

The Present Stage of the Sino-Soviet Relations on the C. E. R.

Harbin, May 22, 1932

With the outbreak of the present Sino-Japanese conflict and with the Japanese military adventure in Manchuria causing the establishment of Manchukuo, a new era of relations between the Soviets and the Chinese on the C.E.R. has opened. Prior to the events caused by the Japanese drive into Manchuria the relations between the two peoples on all the matters in regard to the Railway were governed by the Habarovsk Protocol signed by the representatives of the two countries following the Sino-Soviet dispute over the C.E.R. in 1929. The protocol, as a provisional document, was thought to be in force until a final treaty, as a result of the Moscow Sino-Russian conference, to be convened in accordance with the provision provided in the Protocol, has been made. But the conference, although convened and remaining in session for about fifteen months, did not result in a treaty. General Mo-Te-Kui, Chief of the Chinese delegation to the conference, has not recognized the new government of Manchuria and the Conference has automatically come to an end without achieving anything. There being no diplomatic relations between the new government of Manchuria and the Soviets at the present time, the former has not yet been heard to reveal its point of view as to its sticking or not to the Habarovsk Protocol. Although it declared shortly after its being set up that claiming the authority to govern the state it, at the same time, accepted all the obligations incurred by its predecessor. Thus, the present relations between the Soviets and the Chinese on the C.E.R. are of a form quite indefinite. The Soviet Government being put to the necessity of facing the tasks brought about by the present Japanese drive into Manchuria is perhaps too busy to pay much of its attention to the affairs on the C.E.R. and to raise any serious questions in connection with it. On the other hand the new Manchurian Government facing the many difficulties of military, political and economical nature and being hardly able to cope with the situation at home, has not yet given a serious consideration to any questions connected with the railway; although several of them are reported to have been referred to it by the Chinese side of the Administration of the Railway. The acts of significance done in connection with the Railway by the Manchoukuo Government have been so far confined to the appointing of Mr. Li-shao-ken to the post of President of the Railway in place of Mr. Mo-Te-Kui, who vacated the post automatically by his not recognizing the new government. The fact of appointing Mr. Li-shao-ken was regarded as indicative of adopting a friendly policy by the Manchurian Government towards the Soviets; for Mr. Li-shao-ken has been known as an associate of Gen. Tsai-yui-shen, who when Commissioner for foreign affairs in the Special Area, stood for a compromising peaceful policy with the Soviets, and who headed the Chinese Delegation at Habarovsk. The appointment of Mr. Li-shao-ken was received by the Soviet side of the Railway Administration with great satisfaction; and hearty congratulations were extended to him by the higher Soviet Railway officials on account of the appointment, which actions on the part of the Soviet officials were looked on here as demonstrating friendliness by the Soviets towards the new Manchurian Government. But at the present time the views and policy of the Manchurian Government seem to assume a new shape. Mr. Fan-Tsi-Kwan, Mr. Ai-Nai-fan, and Mr. Show-Lin were recently appointed to fill the vacant positions in the Board of Directors of the Railway. It is to be noted that Mr. Fan-Tsi-kwan in league with some other Chinese officials in charge of high offices in Manchuria prior to and during the Sino-Soviet controversy over the Railway in 1929 played a very prominent part in directing the Chinese anti-Soviet policy in Manchuria; and was therefore, in accordance with the desire of the Soviets expressed in the course of the negotiations for peace at Habarovsk recalled from his post of manager of the C.E.R., to which he had been appointed at the beginning of the conflict following the arresting and repatriating of the Russian manager of the Railway. Mr. Ai-Nai-fan and Mr. Show-Lin, the two other newly appointed members of the Board of Directors of the Railway, received their education in Japan.

Japanese in Philippines a Potential Source of Trouble

Davao, a hemp-producing province in southern Mindanao, might be insignificant under the present political scheme in the Philippines, but is a potential source of trouble in case of independence of the Islands, according to an opinion expressed by Professor Leon Godshall, American lecturer doing special work at the University of the Philippines in Manila. Professor Godshall is the author of "Tsingtao Under Three Flags," and a close student of Far Eastern Affairs. He is especially interested in the Japanese problem in relation to the Philippines and is planning to visit Davao to study the subject further.

The infiltration of Japanese into Davao, Professor Godshall says, is worth more than passing notice as it is a potential source of complications in the event of a conflict between Japan and an independent Philippines. In his opinion conditions in Davao in many ways are similar to those in Korea years ago and, in some respects, similar to those in China now. The Japanese, he said, did not take kindly to the refusal of China to take proper steps toward protecting Japanese nationals in Korea, a country which China claimed at that time as a tributary to her. Then the proximity of Korea to Japan made the latter country apprehensive lest a stronger power should gain control of the country. Hence when she found the opportunity she occupied Korea, won the Sino-Japanese war, and ultimately annexed Korea.

"Japan protests that she has no territorial designs on either China or Manchuria," Professor Godshall said. "Whether this is true or not, the fact remains that Japan has sent troops to both China and Manchuria on the ground that China has not been able to protect Japanese nationals within her own territory." As long as the United States government protects the rights of Japanese in Davao, there is no possibility of trouble, according to Professor Godshall. However, with the withdrawal of American sovereignty and should a Philippines government attempt to expel the Japanese or treat them in a way which should give suspicion of high-handed methods, trouble is sure to arise, he says. The Philippines would then be at a disadvantage because there is no court to decide which country is in the right, "inasmuch as the League of Nations, the International World Court and other such bodies have proved themselves impotent in solving international disputes."

Formal Hearing of Noulens Case to Start Next Week

It is reported that the first formal hearing of the Noulens case will be opened next week at the Kiangning District Court in Nanking. In this connection, it is reported that a well-known Swiss criminal lawyer at Geneva has applied to the National Government for permission to appear in the Chinese court for the defence of the Noulens. As the Chinese Law contains no provisions whereby foreign lawyers resident in foreign countries may appear as counsel in Chinese courts, the application is understood to have been rejected by the Government on the recommendation of the Ministry of Judicial Administration. Although the preliminary investigation has already been completed, formal hearing of the case has been held up owing to the fact that no lawyers qualified to appear in the Court at Nanking have as yet been briefed by the two accused. Dr. Fischer, Italian barrister, has been looking after the Noulens' interests and although he has not been allowed to appear personally has submitted briefs on their behalf.

Japan---Conqueror of Asia?

BY COMMANDER J. M. KENWORTHY*

(In the "Outlook" (U. S.) for March)

ASIA'S troubles threaten not only the peace of the world, but the return of prosperity. Just when confidence was needed for a revival of commerce the peace was violently broken in Manchuria and Central China by Japan's warriors. On the surface the trouble appeared to start with the Japanese seizing all the southern part of Manchuria on the plea of dealing with bandits. The Chinese retaliated with a boycott in China proper. The Japanese answered by a descent on the Chinese quarter of Shanghai. But these events are only the symptoms of a disease—nationalistic imperialism, the belief that might is right, that the sword is the ultimate judge.

Outwardly modernized, her leaders talking in the language of the Twentieth Century, Japan is medieval below the surface. Her people are under the domination of an aristocratic military caste actuated by two motives. The first is genuinely patriotic. The Samurai, the hereditary fighting clans, believe that the destiny of the Japanese people is to attain control of all Asia and the Pacific. This control will enable them to dominate the world. Their plans may take thirty, forty or fifty years to fructify, but they have observed how the British Empire was built up and have profited by the lesson. The motive here is idealistic, and they themselves are prepared to die and suffer in its service. They will call upon the masses of their fellow-countrymen to die and suffer also. If the governing class can maintain its prestige and ascendancy they will not call in vain.

The other motive is the hatred and fear of these same aristocrats, supporting an hereditary monarchy, which monarchy has a religious sanction; a fear of the rising democratic and popular movement among the Japanese masses.

Talk with Japanese naval and military officers, especially late at night, when they are unguarded in their speech, as I have talked with them, and they make no secret of their ambitions and their hopes. They look upon Anglo-Saxon democracy as effete, materialistic, luxury loving, pleasure mad France they regard as decadent and, in any case, checkmated by the growing population and recovering power of Germany. Italian Fascism they regard as strong, but Italy as a weak nation because of her geographical position and lack of command over raw materials.

The "Prey" of Japan

China, French Indo-China, India, even Eastern Siberia, they look upon as their prey, and as long as they are in control of Japanese policy, the Samurai, able to influence an Emperor endowed with complete autocratic power, are a greater danger to the world than Kaiserism or Napoleonism. The degree of their future control depends upon their success in achieving imperialistic expansion.

In the United States I have found puzzled surprise at the attitude of England towards the Japanese adventure in Manchuria, especially when its purpose became evident. True, there has been a change in public opinion in England since the Japanese showed their hand still further and made their incursion into the Yang-Tse River. It is desirable, therefore, to explain the English attitude.

First, the older generation remembered the pro-Japanese propaganda organized by the British government at the beginning of this century, when the Anglo-Japanese alliance was made. The object of this alliance was a reassurance against Russia, who during the latter part of the Nineteenth Century threatened, or was supposed to threaten, India. Japan's conflict with Russia, soon to develop into real war in Manchuria, was helpful in drawing off the Russian pressure on India.

This thirty-year-old propaganda took the form of representing the Japanese as a delightful, lovable, peaceable people; which was true enough as regards the mass of her population. She was represented as the little David opposing the might Russian Goliath; as another seafaring people, an island power, braving the might of the greatest of the land powers.

Next, the younger generation remembers Japan's entry into the World War and the undoubtedly useful service she then performed. They forget China's useful but less spectacular contribution towards the "war to end war."

A third section of opinion regarded, and still regards, Japan as the policeman of the Far East, keeping a rebellious, insurgent, disorderly China in check and making, as they hoped and thought, trade conditions easier in this important potential market. British business men have suffered during the last twenty years from the civil war in China, the frequent changes of government in her vast provinces and the progressive deterioration in the character of the Chinese officials with whom they had to deal.

But the most important element making up this pro-Japanese opinion was the view of the upper classes in England—society, the officers of the army and navy, diplomacy—who regard Japan as a monarchy with an aristocratic government and imperialistic sentiments. This was a case of "deep calling deep."

There is a small trickle also which adds to this river of opinion in England, and it comes from those who consider that if Japan has her hands full in Manchuria the pressure on Australia will be relieved. This raises exactly the same problem as the former Japanese pressure to be allowed to emigrate their people to the Pacific Coast of the United States and Canada. The reason why the argument is fallacious is because as soon as Japan becomes strong enough—*i. e.*, if her plan succeeds—her statesmen will renew their demand with more vigor than ever before for equality of treatment in Australia. And in North America, too, for that matter.

Northern Australia is a more suitable area for Japanese colonization than Manchuria. The Japanese originally came from the Malay Archipelago and do not thrive in cold climates. The Manchurian winters are bitterly cold. Indeed, the Japanese settlement in Southern Manchuria, despite every effort of the Imperial Government to encourage Japanese farmers to take up land there, has been negligible. To say that there are half a million Japanese in Manchuria would be an exaggeration, though the Japanese government is apt to count Koreans as Japanese for the purpose of drawing up vital statistics.

All these streams of opinion made up a river of considerable volume. But over against them were most of the Liberal elements in England, the Labor party and the working classes with all their instinctive hatred of war anywhere or by whomsoever waged. All who favor the League of Nations as a means to prevent war, who support the Kellogg Pact and the Nine-Power Pacific Treaty, were and are, horrified by the Japanese occupation of Mukden and the subsequent drives. All who wish to see the Disarmament Conference at Geneva succeed and who work for the strengthening of every means of preserving world peace sense the danger.

"Open Door" a Farce

Certain business interests trading with Manchuria were uneasy, however, and these were heavily reinforced when the Japanese made their descent upon Shanghai and apparently commenced operations at Nanking. The Yang-Tse River, draining the center of China and the most important artery of trade in a country woefully lacking in other means of transport, is of peculiar interest to British commerce. England still has the greatest proportion of this valuable trade. It was felt that if the Japanese became dominant at Shanghai at the mouth of the river and controlled the two treaty ports of Nanking and Hankow along its course they would be able to discriminate against British trade as they have done already in the southern part of Manchuria, where they have had treaty rights ever since the Russo-Japanese war twenty-eight years ago.

Thus the port of Dalny, since it has become a Japanese possession, has been almost closed to British commerce. The great Hongkong-Shanghai Bank, the most important trading bank in the East, a British concern, is not even

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*World domination, says Commander J. M. Kenworthy, is the goal of the Japanese militarists, who have prepared a plan of campaign of which the occupation of Manchuria and the attack on Shanghai are merely the beginning. Control of the Yang-Tse Valley would result from the capture of Nanking and Hankow and the conquest of Mongolia, Indo-China and even India would follow. In this article Commander Kenworthy describes England's reaction to the Far-Eastern crisis and suggests the most effective steps the Western Powers can take in order to curb Japan. Commander J. M. Kenworthy is a representative of the Labor party in the British House of Commons. He is a retired naval officer, traveler, lecturer, and author, who has gained an influential position in the political affairs of his country.

allowed to open a branch in Dalny, but has had to establish its office in the suburbs. Japanese customs officials and other functionaries take care to see that any trading concern in which Japanese capital is not interested shall meet with all kinds of difficulties. The "Open Door" has for long been a farce on the mainland of China wherever Japan has had control.

Thus the Japanese plan has begun to unfold itself. It alarms informed opinion in England. A few words as to this plan.

In 1927 Premier Tanaka surveyed the world and reported to his Emperor. This secret report was stolen by a Chinese translator in the employ of the Japanese Foreign Office and was published by the Kuo-Ming-Tang, the Progressive-Republican party of China. Its authenticity was immediately denied by the Japanese Foreign Office, but there are many reasons to believe it to be authentic. It details a regular plan for obtaining control of all Manchuria south of the Chinese Eastern railway, running from China on the Trans-Siberian railway across Northern Manchuria by way of Harbin to Vladivostok.

Inner Mongolia, the Tartar province north of the Great Wall, to the west of Manchuria, is to be penetrated and controlled through the Mongolian princes in Japanese pay.

The Yang-Tse Valley is the next objective, thus giving control of Central China; and, later, Canton, controlling Southern China. In the course of some years, after consolidation, most of China would be controlled through puppet generals and mandarins, or under direct Japanese administration; perhaps through the re-establishment of the Manchu dynasty under Japanese influence, just as the English, for over 150 years, have controlled India.

French Indo-China is the next objective and, later, the Philippines and the Dutch East Indies. The way would then be opened to threaten India across her northeastern frontier, which is practicable with modern means of transport, especially the airplane.

The Japanese Imperialists believe that India must always have a strong alien government to hold her together and to impose rule from above. Outer Mongolia and Eastern Siberia can wait their turn. But the ultimate aim is to control all Asia; and the power which controls all Asia dominates the world.

It must be remembered that in Japan the control of the fighting forces is outside the constitution. The heads of the army and navy are directly responsible to the Emperor. In the Japanese cabinet the minister of war is always a general and the minister of marine an admiral. The Samurai clans control all the higher appointments to the army and navy and they claim to use these two forces, with their aircraft, independently of what the civilian politicians may think about it.

This independent control of the fighting forces of Japan, the spearheads of Japanese imperialism has been exemplified by recent events. The steps so far taken follow out the Tanaka plan in almost exact detail.

Russians Indifferent as to Manchuria

What of the other nations concerned? There is a widely held belief that an understanding exists between Moscow and Tokio. Contrary to general belief, Russia is not much interested in Manchuria unless and until the thirty million Chinese pioneers who have settled there embrace Communism. The Russian official attitude is that it does not matter whether the peasants and coolies of Manchuria are exploited by Chinese or Japanese capitalists and militarists.

Outer Mongolia is a different story. This vast province, with its nomad tribes, its deserts and its steppes, is nominally a Socialist Soviet republic, controlled by a Soviet at Urga. The understanding is believed to be that Japan will leave Outer Mongolia alone, which she is quite content to do for the present. In that case Russia will not interfere with anything she does in the rest of China. On the other hand, if any of the Chinese provinces "went Red" and embraced Communism, Russia would be interested.

Russia is the new commander of the faithful, just as the Khalif, the spiritual head of the Moslems, armed with temporal power, was supposed to move to the rescue of any Moslem fraternity in danger from Christendom; so Russia must attempt to help any Communist government attacked by capitalism or imperialism. No doubt there are thinkers in Moscow who believe that Japan's action, if unchecked, will have the effect of driving China, or parts of China, toward Communism.

There is another factor where Russia is concerned. She stakes much on the success of the Five-Year Plan. Here rulers believe that only war will prevent its fruition. There are, in any case, physical reasons why war is difficult for Russia in the East at present. The Trans-Siberian railway, which is only a single track, is in bad order. Siberia is nearly roadless and, except for the railway, almost impassable in winter. It would take months for Russia to move a large army to the Far East and its supply would then be difficult.

What of France? Again there is understood to be an agreement between Tokio and Paris. The arrangement is believed to be that Japan shall have a free hand in Manchuria, where there are few French interests. In return Japan is to support France at the World Disarmament Conference and, most important of all, will aid her government in resisting proposals for a revision of the peace treaties. The Japanese incursion into the Yang-Tse is a different story for Paris. The Quay D'Orsay is informed of the Tanaka plan. If it appears that the Japanese rulers mean to follow this plan out during the next decade, France will begin to fear for Indo-China. Furthermore France has some commercial interests in the Yang-Tse Valley and, though these are not so important as the English, American or Japanese commercial interests, in the present state of world trade they are not negligible.

Another country vitally interested in the Asiatic problem raised by Japanese ambitions is Holland, with her immensely wealthy, thickly populated colonies of the Dutch East Indies. There is no room for Japanese settlers here, for Java, the richest and most fertile island, is already overpopulated. Here the Japanese come as merchants, peddlers, shopkeepers, but not as land settlers.

Indeed, it is broadly true to say that with regard to all overpopulated Asia the Japanese ambition is the control of markets, raw material and cheap labor; while the unpopulated or sparsely peopled districts of Asia, such as Eastern Siberia, are unsuitable for close Japanese settlement for climatic or other reasons.

The Plea of Over-Population

The arguments, therefore, that Japan has the right to expand in order to settle her surplus population are fallacious as regards the mainland of Asia and the islands of the Philippines and the Dutch East Indies. They were used when the Japanese annexed Korea after having promised to respect its sovereignty. They seized that country with the connivance of England, who was a guarantor with other powers of Korean independence, on exactly the same plea. For two generations there was nothing to prevent the Japanese pioneers from settling in Korea or Manchuria except for the fact that the Koreans were there already and the Chinese moved beyond the Great Wall into Manchuria faster than the Japanese came from overseas.

Where the plea of overpopulation does hold good is in regard to northern Australia. Up till recent events there was a growing school of opinion, both in England and in Australia, which argued that the Japanese should be allowed to settle in northern Australia. It is not a white man's country, though the Australian nationalists hope to make it so. So far, the slogan of a "White Australia" has been sufficient to check any development of such a policy. But the Japanese ruling classes, seeing their people barred from the Pacific Coast of North America and from northern Australia, have developed a persecution complex rather similar to that of the German governing class prior to the Great War. Indeed, they use much the same language about Japan's "place in the sun," of her being hemmed in and treated with inequality and injustice. They feel that they must make their nation strong enough to demand equal treatment with success.

Let us turn to the domestic and economic situation in Japan itself, which is of great importance at the present time. Japan has suffered cruelly in the world economic crisis, and prior to this slump the great earthquake destroyed some of her most valuable silk producing districts. The heavy burden of her armaments, the cost of her complicated machinery of government, with its swollen bureaucracy, have created financial embarrassments.

She has been successful in the manufacture of cheap textiles and has built up a trade of importance, especially

to India, in cotton goods, underselling Lancashire, but also underselling the Hindu mill owners. Economic nationalism in India is apt to bar out Japanese goods for the same reason as at present it seeks to boycott British goods. China, Japan's natural market, is difficult owing to the development of native Chinese manufacturing industry. Furthermore, the Chinese boycott has been developed into a very efficient machine and at the present moment is punishing Japanese trade severely. In bazaar goods, machinery and other manufactures, Germany, forced to export at any price in order to accumulate foreign credits for reparation payments, is a serious competitor.

Even in Manchuria, her chosen sphere of influence, Japan finds Chinese economic nationalism active. Thus the Chinese policy of building parallel lines to the Japanese railroads and developing ports in opposition to Dalny had caused serious losses prior to the present campaign in Manchuria and was one of the principal causes of that campaign.

Again, Japan is short of certain raw materials, notably iron ore and petroleum, while her own coal is of poor quality. Not only can China provide excellent coal and iron ore but she can grow the rice which Japan needs to import to feed her industrial population.

Japanese economic imperialism, for the reasons stated, has not hitherto been very successful on the Asiatic mainland, and that is why her governing class has turned to political and military imperialism. The net result is that the economic situation in Japan has become increasingly difficult and the impoverishment of the masses of the people—farmers and factory workers alike—has created deep-rooted discontent. Already there is an underground Communist movement of substantial proportions, especially in the great industrial cities, and this in turn is countered by Fascist organizations supporting the aristocrats, the Throne and the Japanese capitalists.

Between Two Fires

The Japanese ruling class, therefore, finds itself between two dangers. The first is the growing economic distress and, therefore, political discontent at home threatening the stability of Japanese society and even of the ancient god-descended Royal House. The other danger is that a vigorous policy of imperialist expansion, as recommended by the former Premier Tanaka, may bring their country into collision with the Great Powers, and particularly England and the United States. But of the two dangers the latter, namely, a vigorous policy of imperialism, appears the less dangerous.

The United States is regarded as being obsessed with her own economic and financial difficulties, while the peace-at-any-price movement in the United States is regarded as strong enough to prevent any drastic measures by Washington. What the Japanese imperialists overlook is the moral strength of this very peace movement.

England is looked upon as being in great economic difficulties also. Therefore the opposition of their own Foreign Minister, Baron Shidehara, who is better informed of the real state of American and English opinion, was overridden last fall. The decision was taken to choose the supposedly lesser danger of conquest and exploitation.

What of the powers most nearly concerned?

So far their policy has been weak, divided and undecided. In September, 1931, when Japan first advanced on Mukden, vigorous action by the League of Nations under the Covenant would probably have tipped the balance in favor of the peace party of Japan. Unfortunately, the newly formed national government in Britain had a new Foreign Minister who was also a Liberal, Sir John Simon. Simon had edged his way into the government with difficulty and held this important portfolio on the sufferance of the predominant Conservative majority. Prior to the general election landslide the Marquis of Reading, another Liberal, held the portfolio of Foreign Affairs, and, though it was his weakness in September which first gave encouragement to the Japanese militarists, Sir John Simon failed to restore the situation in October, November and December.

In order to placate the Conservative majority in Parliament, Simon thought it necessary to be more sympathetic to the Japanese even than the Conservative "die-hards." Briand, the French Foreign Minister, was in a weak position also, indeed tottering to his fall, prior to his dismissal by Laval. The blunder of the autumn of 1931, therefore, was serious and little guidance or help came from Washington.

A more serious blunder, however, was perpetrated in January, 1932. Secretary of State Stimson undoubtedly invited England and France and other powers to present a joint note to Japan with regard to the Open Door in Manchuria. Both England and France declined to present a joint note, both of them believing that the best way to deal with Japan was to show an ultra-friendly and sympathetic attitude. Separate notes, therefore, were presented by the United States and England. The United States note was stiff and peremptory. The English note was sympathetic, conciliatory and indeed a condonation of Japan's actions. These separate notes, so different in their tone, naturally confirmed the Japanese imperialists in their belief that the Western Powers were divided.

What should be done now?

Japan can be saved from her own imperialists by England and America acting together and threatening a commercial, financial, social and diplomatic boycott. They would most probably be joined by Holland because of the Dutch interests in Asia. These three nations between them control practically all the world's rubber, tin, oil, jute, cotton and other essential raw materials needed by any industrial nation, especially Japan. After China, the United States is the most important market for Japanese manufactures, India being third, while England is not unimportant. The closing of these markets to Japanese trade would bring Japan to her knees in a very short time, whereas the imperialist plan of expansion requires at least a fifteen-or twenty-year program. Short of making war, which no sane person desires, this is the only way in which Japan can be stopped. It is the only way to prevent a series of future world wars, so injurious in their effect as to shake the entire fabric of civilization.

Japanese Army Examinations Held in Shanghai

The physical examinations for army conscripts of local Japanese male subjects, reaching the age of 20 this year, which was commenced on May 24, was concluded at noon May 27. In all 127 youths were examined by the Army medical officers at the Japanese Club. Of this number, only 38 were declared to be of Class A condition, as follows: Class A, 38; Class B, 25; Class B, 27; Class C, 32; Class D, 4; Class E, 1.

Out of the 127 five were found to have contagious diseases. Major Nishiwaki, who supervised the examinations, stated that the number of Class A youths was smaller this year than last year, though he expressed satisfaction that the number with contagious diseases had shown a drop.

Shanghai Street Car System Makes Profit of Almost Three Millions

The Board of Directors of the Shanghai Electric Construction Company (Shanghai street car system) at its annual meeting in London May 25, announced that despite a strike, the Company was able to realize Mex. $2,979,578 profits, although the business experienced the repercussions of the disadvantageous exchange.

Smuggler of Japanese Goods Executed at Canton

Pang Cho-lieh, who was alleged to have taken advantage of his position as an official of the Anti-Japanese Boycott Association to smuggle Japanese goods for his own personal benefit, was executed at Canton May 28. His execution, according to a *Reuter* message, has been greeted with satisfaction by the Kwangtung public which had been clamoring for this sentence ever since Pang was arrested a month ago.

Shanghai-Bound Ship Searched at Marseilles

The French authorities carefully inspected the holds of the British cargo ship *City of Florence*, bound for Shanghai, while it was lying at Marseilles May 28. It had been rumored that a consignment of explosives was being clandestinely shipped on board the vessel. The ship was found to be carrying 700 tons of various chemicals for several Japanese factories, but no explosives. The ship was permitted to sail without any further difficulties.

China Honored Shanghai War Dead at Soochow on May 28

A solemn and impressive memorial service was held at Soochow on May 28 in honor of the fallen men and officers of the 19th Route Army and the 5th Army during the recent Sino-Japanese hostilities in Shanghai. The day which four months ago marked the outbreak of the Shanghai Affair was observed as the occasion of national mourning, when the flags were lowered at half-mast throughout the country and memorial services were held simultaneously at both Hankow and Canton.

Shortly after 10 o'clock in the morning on May 28, enormous crowds of people estimated at over fifty thousand gathered at the Soochow Public Recreation Ground to pay

Gen. Tsai Ting-kai, Commander of the 19th Route Army, officiated at the grand Memorial Service in honor of his fallen comrades held at Soochow, May 28. In accordance with an order of the Government, Gen. Tsai is shortly leading his valiant hosts to Fukien for garrison duties.

homage to the fallen martyrs who so gallantly defended Shanghai against the Japanese invaders and who died in order that China may live. Mr. Chu Cheng, President of the Judicial Yuan and special delegate of the Central Party Headquarters, was the chief mourner during the ceremonies, while other Government leaders included Dr. H. H. Kung and Gen. Wu Teh-chen, representating the National Government; Gen. Li Chi-sen, representing the Military Council; Mr. Tuan Shih-pang, representing Mr. Wang Ching-wei; Gen. Chen Ming-chu, Minister of Communications and former commander of the 19th Route Army, and representatives from various armies and public organizations including the Shanghai Chinese General Chamber of Commerce. The high Commands of the 19th and 5th Armies, Generals Chiang Kwan-nai, Tsai Ting-kai, Tai Chi and Chang Chi-chung, were all present and paid their tributes to their fallen comrades. Among the foreign guests were included two Koreans, five Indians, two representatives from Sikong and a number of foreign missionaries in Soochow who presented a scroll in English which was hung outside the service ground.

A grand matshade memorial stand with raised platforms was erected in the center of the Soochow Recreation Ground, decorated with mourning scrolls and floral wreaths, on which the solemn ceremonies were conducted. An altar in the form of a Pagoda was placed in the middle of the stand, behind which were placed the portraits of the fallen martyrs with their short biographical skethes. In front of the memorial stand, several thousands of war veterans picked from the vraious Divisions of the 19th Route Army massed in formation to houor the stirring memories of their martyred comrades.

Maj.-Gen. Ong Chao-yuan, a Brigadier-Commander in the 78th Division and hero of the Woosung Defense Fame, was the Master of Ceremonies during the service. A bugle call sounded by the buglers of the 19th Route Army opened the solemn rites, following which Maj-Gen. Ong conducted the mourners to the memorial stand and as the military mourning band struck a sombre tune, a salvo of guns was fired in honor of the martyrs. After saluting the National and Party flags and reading of the late leader Dr. Sun's will, the official mourners and all participants in the service bowed three times before the altar to do honor to the martyrs and observed three minutes' silences. Then the flags were halfmasted and the chief official mourner Mr. Chu Cheng made a short speech, eulogising the deeds of the fallen officers. He said that the gallant resistance put up by the men and officers of the 19th and the 5th Armies against the recent Japanese invasion by the Japanese served to awaken the soul of the nation and set ablaze the morale of the Chinese people. He urged the entire nation to unite together and follow the blood-bespattered footsteps of the heroes who died for the country so that a concerted and supreme effort to save the nation from its present crisis may be made. Following the speech, he placed a floral wreath before the altar on behalf of the Central Party Headquarters. Then, eulogies were read by representatives of the chairman of the National Government, president of the Executive Yuan, Chairman of the Military Council, the Commander-in-chief and associate commanders of the 19th and the 5th Armies and representatives of the public bodies. The service concluded with the shouting of slogans in which the determination was voiced to overthrow the Japanese Imperialism and avenge the fallen martyrs,civilian and military, during the war in Shanghai.

According to official figures published by the Headquarters of the 19th Route Army at Soochow, the casualties sustained by the Chinese Armies during the Sino-Japanese hostilities total 5,281 deaths, 9,722 injured and 625 missing. This includes the casualties of the 5th Army which alone lost 1,825, while 3,487 were injured in battle and 625 missing.

Tabulated records show:

19th Route Army

	Killed	
	Officers	Soldiers
60th Division	26	368
61st Division	46	843
78th Division	45	128
5th Army		
87th Division	24	499
88th Division	57	1,034
Independent Brigade	16	195
Total	214	3,067

19th Route Army

	Wounded	
	Officers	Soldiers
60th Division	92	1,157
61st Division	195	2,802
78th Division	24	1,965
5th Army		
87th Division	101	1,340
88th Division	141	1,557
Independent Brigade	34	314
Total	587	9,135

In addition to this figure, 14 officers, 281 soldiers of the 87th Division and 12 officers and 218 soldiers of the 88th Division are listed as missing, making the total of 625.

In accondance with the orders of the Military Council at Nanking, the units of the 19th Route Army will be transferred to Fukien for garrison and bandit-suppression duties. The 61st Division under Gen. Mao Wei-shou will evacuate first, while the 78th Division under Gen. Ou Shou-lien and the 60th Division under Gen. Sheng Kwang-han will follow. In view of the shortage of transports, it seems that evacuation will not be completed until early in July.

What a Chinese Member of the League Commission Observed in Manchoukou

MR. L. T. Chen is a responsible Chinese citizen of Shanghai whose chief occupation is the banking business, but who has other outside interests in that he is an official of the Y. M. C. A. and last autumn served as chairman of the Chinese group that participated in the conference of the Institute of Pacific Relations which was held in Shanghai. Mr. Chen is a graduate of both Yale and Harvard and during the war was an official of the Chinese labor corps attached to the British Expeditionary Forces in France and after the war assisted in the repatriation of the laborers in their home province of Shantung. In addition Mr. Chen has found time to lecture at Chinese universities, has written numerous pamphlets dealing with tariff and economic matters and was the translator of an important work on Chinese political thought which was published in London.

When the Lytton Commisslon reached Shanghai early in the present year for the purpose of investigating the Manchurian situation, Mr. Chen was selected as one of the experts attached to the staff of the Chinese assessor, Dr. V. K. Wellington Koo. It was stated that Lord Lytton was most favorably impressed by Mr. Chen for two reasons—Mr. Chen's profound knowledge of the Manchurian situation and Mr. Chen's good humor which never failed in the numerous trying situations which developed in connec tion with the Commission's efforts to get at the bottom of the Sino-Japanese controversy.

The foregoing paragraphs will therefore serve as an introduction to an address which Mr. Chen delivered before the Shanghai Rotary Club regarding conditions in the new "paradise" state of Manchoukuo, Mr. Chen having just returned from Manchuria where he participated in the League Commission's inquiry. In his introduction Mr. Chen stated that he really was more qualified to lecture on the excellent service of the Japanese South Manchuria Railway and the Yamato hotels than on Manchuria because he actually saw little else while on his trip. The following is a summary of Mr. Chen's statement.

"I enjoyed to the full the kind hospitality of the S. M. Railway and the excellent train service that it gives. And during the two weeks I stayed at the Yamato Hotel with the Commission of Inquiry of the League of Nations. I entirely enjoyed the facilities of the well managed institution. I ate to my heart's content and admired the versatility of the cook. I sometime watched the graceful movements of the Japanese girls who served as waitresses in the diningroom and wondered how the Japanese have managed to increase their stature. In place of fat and short Japanese girls that we used to see in such places before, there are now the tall and slender figures. Even the working of nature is bowing to the will of a progressive race. I could tell you also about the plum blossoms which I saw in the Park in front of the hotel, through the window of my room. Sometimes for your amusement I could even tell you of the proficiency with which I learned to play billiards, when life became so dull and I was driven tc look for activity. But apparently these things hold little or no interest for you, hence I am obliged to report to you about the aspects of my visit, on which I am less competent to speak.

"I did not see any of the places I hoped to see, nor did I meet any of the people I expected to meet. A complete victim of circumstances, I found myself in a situation, in which I could say with St. Paul, that I did those things which I did not want to have done and failed at those things I wanted to have done and there is no help. I was told by the Police Officer that the Manchoukuo was very hostile to Chinese and that it would be unwise for me to tread upon its territory. In order to secure my safety, it was necessary that not only should I confine my movements within the bounds of the Japanese Settlement but also I should inform the Police stationed in the hotel whenever I intended to leave the premises, so that special men might be detailed to follow me and give me protection.

The Solicitous Japanese

"This courtesy was extended to all members of the Chinese delegation. I regret to say that we must have imposed a heavy responsiblity on those who watched over us and had to wait till late hours in the lobby of the hotel. In order to prevent the possibility of any harm being done to the Chinese members of the Commission, the Police took the further trouble of keeping off the premises all suspicious characters among the Chinese residents. Any Chinese who came within the precincts of the hotel was liable to arrest and at least three cases were known, who were carried off to Police Headquarters, under suspicion of attempting to see the Commission or the Chinese Assessors. So for the time we lived in Mukden, we lived like an Emperor, who dwelt in his forbidden quarters. While we are grateful for all these arrangements, calculated to give us protection, to one like myself, who is more accustomed to the life of a commoner, I must confess that I felt somewhat strange to have to require bodyguards wherever I went. But after the tragic event was perpetrated in Hongkew Park in Shanghai, it was suggested in some quarters that the precautions for the safety of the Chinese in Manchuria seemed most pertinent and was indicative of far-sight. Under the protection of our host I spent two of the most leisurely weeks I remember in my life. It was a luxury in every way and to show my appreciation for such comfortable living, I come back to Shanghai at least fifteen pounds heavier than when I left.

"As you will remember, Manchoukuo was inaugurated only on the first of March, so that when the League Commission arrived in Mukden, the so-called new state was scarcely two months old. The streets in Dairen and Mukden and all along the South Manchuria Railway are full of posters celebrating the birth of the new nation. These posters are mostly printed in the Japanese language, although here and there Chinese posters are also discernible. In the book stores, one finds publications of a similiar nature galore. There are pictorial magazines, special pamphlets, magazines, picture postcards and other mementoes. All these are printed in Japan and in the Japanese language. I do not remember seeing a single publication of this kind in the Chinese language. In the Rotary meeting at Mukden which I attended in the Yamato I noticed that even the weeklies of the Rotary Clubs in Japan and Manchuria, carried articles dealing with the aspects of the new state. So if our club should burst out in print with articles on Manchoukuo we shall only be following the noble examples of our sister clubs elsewhere.

"Manchoukuo is founded, I am told, on an idealistic conception. There are included in the state five nations; Chinese, Manchurians, Mongolians, Thibetans and Japanese. Some Japanese explained to me that the mission of those who took the initiative in founding the new state is the same as that of the Puritan Fathers who left England to seek religious and political freedom in North America. One man explained to me that China should follow her traditional policy of toleration and do as England did, when she recognised the thirteen colonies as a new nation.

"Furthermore, it was pointed out to me that the new state is constantly on the look-out for men of ability. If anyone should fail to find opportunity to give expression to his talents, one would find welcome in the new state, hinting that if I should be dissatisfied with the conditions in Shanghai, there would be an opportunitv for me to secure an appointment. This was a compliment quite unexpected and one which I did not deserve. When I asked why there was so much interest in the founding of the new state on the part of the Japanese, as least ostensibly, I was told that Japan was anxious to make Manchuria the Paradise of the East and that she was anxious to give help to the infant state as a friend, until she put her on her own feet. But there is no organic relationship.

"That there is a very close and friendly relationship between Japan and Manchoukuo is quite evident. There is not a single branch of the government which does not have Japanese as officials. As a matter of fact all the executive positions in the government are filled by Japanese. Take for instance, in the government in Changchun, there is a regent in the person of Mr. Henry Pu-Yi. There is a Prime Minister in the person of Cheng Hsiao-hsu. But according to the organic laws of the government the real power of state resides in the hands of the director of general affairs, in the office of the Prime Minister. He has power to make appointments in the Government and to countersign orders. And he is a Japanese. Similarly, in all ministries of the government this post of administrative responsibility is held by a Japanese.

"In the provincial governments, the heads of important departments are Japanese and where the head is not Japanese, there are in the department Japanese advisors, without whose sanction no orders are valid and

effective. This arrangement is carried out into the lowest organs of the government. Thus, in the magistrate's office, there are at least two Japanese, one as advisor, the other as assistant. In the province of Liaoning, the Police Commissioner has a Chinese name but in reality he is a Japanese, who was formerly commanding officer of the Japanese Gendarmerie in Mukden. It is also not unusual, that a Japanese official in Manchuria holds a concurrent post in the military headquarters of the Kwantung Leased Territory.

Complete Harmony

"It is because of the close co-operation of this kind, that the officials of Japan and those of Manchoukuo are working in complete harmony. On my former visits to Mukden I never saw the sight of a single Chinese soldier in the Japanese settlement but this time I saw a large company of Manchoukuo soldiers marching in it. Furthermore, I also noticed that Manchoukuo police were able to move about freely in the area, which was formerly forbidden to them. I am told that before the arrival of the League Commission, the city of Mukden was patrolled by Japanese gendarmes and Chinese police, who wore a white badge on the left arm. It bore the seal of the military headquarters of the Kwantung Leased territory and the inscription "Mukden Police Force."

"Perhaps I may be permitted to quote one or two paragraphs from a document entitled Principles of Organization of Manchoukuo:—

Article one says:—'In order to direct Manchoukuo as well as to protect and develop Japan's right in Manchuria and Mongolia, there is need of a new controlling body. Its function should be on the one hand to consolidate all the existing organizations in Manchuria and Mongolia and on the other, to exercise great power so that the new Manchoukuo may thoroughly obey Japan's guiding hand.

Article nine states:—'As to law, the Japanese code should be adopted.....As to jurisdiction over foreigners, Japan should take the responsibility.

Article twelve states:—'The national defence of the new state, should be entrusted to Japan.

Article fifteen states:—'The management of railways should be entrusted to the South Manchuria Railway.

"In brief, Japan has got a strangle-hold on Manchoukuo. It seems a rather clever twist of words that the foreign residents in Manchuria, call the new state 'Honjokuo' instead of Manchoukuo.

"There are publications distributed by Japan, which state that Japan is determined to carry out her policy of founding a new 'paradise.' In pursuing that policy she is not afraid of any Power which may interfere. Gen. Honjo once declared that Japan was fully prepared to meet Russia in the north with the full strength of the Imperial Japanese Army and was equally well prepared to meet America in the Pacific with the full strength of the Imperial Japanese Navy in the event either America or Russia interfered with Japan in Manchuria.

"The confidence of a military success seems to be the most noticeable feature of Japan's activities in the Three Eastern Provinces. She has an efficient organisation and for the time being her military is holding the country in a reign of terror. The people are uncertain about the future. Farms are lying waste. Business is at a standstill. What the future holds in store for this once prosperous land is at present problematical."

Cantonese Still Feel Resentful Against Japanese

Japanese telegrams from Canton report that anti-Japanese sentiment is still strong among the Chinese people in that city, though not so conspicuous as before. Domestic political considerations are blamed for the continued anti-Japan movement. The boycott of Japanese goods in Canton is not abandoned, and it is reported that the boycott pickets in that city are planning to examine all goods held by Chinese merchants shortly, and otherwise resume the boycott.

Cold Wave Along Suiyuan Railway Damages Crops

The southern section of the Peiping-Suiyuan Railway was gripped by a cold wave last week, accompanied by a rain and hailstorm, with the result that great damage has been caused to the fields and orchards over a wide area. The entire section along the Railway from Nankow Pass to Kalgan has been affected, Particular damage has been done to the wheat and rice crops and fruits.

Chinese Businessmen Form Anti-Civil War League

A nation-wide anti-Civil War movement has been launched by four leading commercial and banking organizations, namely, the National Associated Chambers of Commerce, the Greater Shanghai Municipal Chamber of Commerce, the Shanghai Chinese Bankers' Association, and the Shanghai Native Bankers' Guild. A circular telegram urging support of the movement has been issued by these four organizations to the chambers of commerce, bankers' associations and native bankers' guilds in Nanking, Canton, Peiping, Tientsin, Hankow and Hangchow as well as all other cities throughout the country.

According to the draft measures set forth in the circular telegram, a National anti-Civil War League is to be formed, in which all citizens of the Republic, regardless of occupation or party affiliations, may become members. All domestic disputes likely to lead to armed rupture must first be submitted to civic organizations or a legally constituted organ of people's representatives (in the event of the latter being formed) for mediation. Neither party to a dispute should resort to the use of armed force for the settlement of such dispute. In event of civil war arising despite such efforts at mediation, all members of the anti-Civil War League will absolutely refuse cooperation with either party to the dispute in any matter whatsoever.

The following is a summary of the draft regulations governing the proposed anti-Civil War League as drawn up by the four promoting organizations:

1. In view of the fact that the present foreign aggressions are attributable primarily to the state of chaos prevailing within the country, which has been brought about largely by recurrent civil war, this League is hereby formed with the object of uniting the entire nation in a movement to put a permanent end to civil war.

2. This League is to carry out the movement for the prevention of civil war according to the following procedure:—

(a). The League shall issue publications and arrange periodical public lectures bringing home to the nation the evils of civil war and the necessity of preserving internal peace and tranquility.

(b). In the event of any political dispute arising which is likely to lead to armed rupture, this League shall advise and urge both parties to the dispute to submit their controversy to some legally constituted organ of people's representatives—or to some legally constituted civic organizations, in case the former has not yet been organized—for mediation or arbitration. Both parties are also to be urged that they should refrain absolutely from having recourse to the use of armed force for the settlement of such disputes.

(c). Should, unfortunately, civil war break out in disregard of or despite the above-mentioned advice, all members of the League shall refuse to lend cooperation to either of the parties and may also take such peaceful and effective measures as they may deem necessasy for the prevention or cessation of such civil strife.

3. The League shall devote itself exclusively to the anti-Civil War movement and shall not carry on any other movement or engage in any other activity whatsoever.

4. All persons or organizations who endorse the aims of this League, irrespective of sex, occupation or party affiliations, may become members thereof without any recommendation or introduction.

5. The League will establish its head office at Shanghai and may also have such branch offices at other cities as may be deemed necessary.

6. The League is to have a Standing Committee to administer and decide upon various League matters.

7. The League may invite well-known pacifists to become honorary members.

8. Members of the League shall not be required to pay membership fees. Whatever funds the League may require for the carrying out of its activities shall be raised by means of voluntary contributions. The League shall under no circumstances receive subsidies from central or local government organs or any official organs of whatsoever nature.

9. All detailed regulations of the League shall be determined by the Standing Committee.

10. It is tentatively fixed that the League shall function for a period of five years.

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THIS MISSIONARY FEARS NEITHER BANDITS NOR WARS

The central picture at the top is the Rev. Charles A. Leonard of the Southern Baptist Mission at Harbin, while on each side and below are members of his North Manchurian flock of Chinese Christians. The pictures were taken at the town of Siaosuifu, which was looted a few days following the taking of the picture. In the lower left corner are the ruins of Lishuchou which was destroyed as a result of the Sino-Japanese complications.

A Baptist Missionary's Travels in Kirin

(From the Review's Correspondent)

Harbin—The Rev. Ch. A. Leonard, missionary of the Baptist Mission at Harbin, made a seven-weeks trip to some of the places lying in the extreme east of Kirin Province, which had been visited by him about a year before. Wherever he came he was given the most hearty welcome by the Chinese population, who expressed in every way their cordiality to him both as a missionary and as an American. No anti-foreign feeling could be detected among the people there. They were anxious to render what service they could. They asked as a special favor of him to allow them to pay the fare for him and give him free accommodation; so that having covered on his trip the distance of 1,500 miles he expended only five gold dollars for his fare. At all the places visited by the missionary the authorities and the public organisations placed at his disposal premises for holding evangelistic meetings.

Travelling in a horse-drawn wagon he visited Mishan, Suifenho, Siaosuifenho, Tungking and a number of other towns and villages along the eastern border of Kirin Province. More than once he had a narrow escape from hunghutze (Chinese outlaws). Fortunately for him, it happened so that some places were raided by hunghutze just before his arrival there, and some shortly after he left them. The most dangerous portion of the way was between Tungking and Suifenho where the road runs through the Crooked Gorge. The country around the road is mountainous and woody and teems with various kinds of wild animals and birds. The mountains and the woods afford good shelters to gangs of outlaws. To avert encountering hunghutze Mr. Leonard and a party of ten other travellers had to start from Tungking by 12 o'clock night, in a snowstorm, the darkness of the night and the snowstorm being thought as protection from outlaws, for they are said to be averse to leaving their shelters in rough weather.

Mr. Leonard was well rewarded for his work and the hardships of the travel. As a result of his preaching the gospel to the Chinese residents of the places in their native language, of which he is a thorough master, about one hundred people were converted and baptized by him, and several Christian communities organized at different towns.

He was surprised to find the population in those remote districts well informed of all the events at Shanghai and elsewhere in China. Incidentally he observed that the anti-Japanese feeling is very strong among the Chinese people in those regions. The population say that all the hunghutze have joined the regular troops for fighting the Japanese.

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The Postal Workers' Strike

BY PAUL K. WHANG (汪仲芳)

GENERALLY the labor strike has been looked upon by the public with disgust and disapproval, but the recent postal strike, curiously enough, has won the approbation and sympathy of many Shanghai people in spite of the fact they have been deprived of a very important public service to their daily life for five days. After the Nanking government flatly refused to consider their demands and all efforts on the part of Gen. Wu Te-chen, mayor of Greater Shanghai, to avert the strike proved futile, the Shanghai Postal Workers' Union, one of the strongly organized labor unions in Shanghai, ordered its members, numbering approximately 3,000, to go on strike at 5 o'clock in the morning of May 22. This strike, the third of its kind and the worst of all in the history of the local institution, the last strike being in 1929, virtually paralyzed the local postal service, and was followed by the postal workers of many other cities. This movement would in all probability have become a nation-wide one, had not an early settlement been effected. Fortunately through the good offices of Mayor Wu and many prominent local business men, an agreement was concluded and the strike was called off on May 26. The terms of settlement have not been divulged, but it is understood that a Postal Affairs Research Committee, composed of postal workers, postal authorities, and local business men, will be formed to study and investigate the demands presented by the Postal Workers' Union, so as to work out reformations for the present postal system.

We may condemn in strong terms the labor strike of public servants and even go to the extent of calling it a rebellion against the government; but we can not let our judgment be influenced by this prejudice. The fact that the postal workers are not demanding betterment of their working conditions but certain reforms in the postal system in itself indicates that something must be wrong with the present postal system. Their demands are four in number:

(1) The Postal Remittances and Savings Bank should be amalgamated with the Post Office;
(2) The original postal tariff should be maintained;
(3) The allowance to the aviation companies in China should be cancelled; and
(4) The financial administration should be thoroughly readjusted.

In perusing these demands, we can not help thinking that there is some truth in the allegation of the Postal Workers' Union that their demands were made in the interests of the Post Office itself and not from any selfish motives of the workers. No one knows the inside situation of China's Postal Administration better than the one having daily connection with it, and also no one cares about its future more than the one depending upon it for his livelihood. Therefore any demands for the reorganization and betterment of the postal service initiated by the postal workers themselves can not be viewed with passing interest by the public, who have reasons to demand an efficient and well-organized postal service. Because of the close relationship between the postal service and the public, an outsider of the controversy can not remain silent without giving his comments on those demands.

Postal Bank Administration Should Be Improved

The Shanghai Remittances and Savings Bank, it might be recalled, was established on March 15, 1930, following an investigation into development of postal banks in Europe made by Mr. Liu Shu-fan, former head of the Postal Administration of the Ministry of Communications. Subsequently a branch bank was established in Hankow. Besides these two ports, all the other cities have still their post offices and postal remittances and savings amalgamated. It must be said that the government is justified in separating these two services, because China is far behind Japan and Western countries in her enterprise of the Postal remittances and savings and their separation will help to promote this enterprise, and also because the technique required for handling affairs of the postal remittances and savings calls for men who must be well versed in the science of banking and financing instead of ordinary post office workers. But the result of separation, after two years' experiment in Shanghai, is far from being satisfactory. The frequent change of the personnels of the local bank and the creation of superfluous offices in it have led us to believe that the separation was made not for promoting the enterprise of postal remittances and savings, but for accommodating party officials. We have also heard such charges as the appointment of officials based on political reasons rather than on business experience, and the granting of political loans from the money entrusted to the bank by the public. This mismanagement has naturally resulted in the increase of its expenditure and reflected upon its credit. While we do not endorse the demand of amalgamating these two separate services once again, we do believe that the present administration of the postal bank must be improved and made free from politics, before the enterprise of the postal remittances and savings can be fully developed.

As to the new postal tariff, which has gone into effect since May 1, it has drawn strong opposition from the public. Although the government has finally revised its schedule by making some reductions, the public opposition has not yet been abated. It is surprising to know that a service which has once netted the government a good profit every year is now facing a deficit of about four million dollars to balance its budget. In order to cover this postal deficit, the Ministry of Communications, without troubling itself to seek the underlying causes of the present unhealthy state of affairs, has chosen the handy means by raising postal rates by fifty per cent and more. As a matter of fact, it is always the last measure for any public services to increase the burden of the public, when other means are available to remedy the situation by cutting down the unnecessary expenditures. The Ministry, however, can not indefinitely rely on the increase of the postal tariff to finance the operation of the postal service, because the present schedule has already approached the highest tariff permitted by the international agreement. If the basic defects are not removed, a second financial stringency will soon face the Ministry as it is today.

In regard to the allowance given to the National Aviation Corporation and the Eurasia Aviation Company, the figures are not available, but that they amount to a big sum every year goes without saying. There are, indeed, justifications in subsidizing the aviation companies for building up an air-mail service so as to provide the public with a better and faster means of communication, but there are limits for the Postal Administration to grant subsidies without impairing its own financial foundation. To all intents and purposes, this heavy expenditure for developing air-mail service should be borne by the national treasury instead of any single administration. At the time when the inland cities and rural districts have not yet been provided with adequate mail service, there is a good reason to urge the Postal Administration to set aside its surplus for that purpose. Granting that the air-mail service is important, because it provides facility of communication to a selected few who can afford to pay the high tariff rates for this service, we, nevertheless, deem that the development of inland and rural mail services is far more important, because their installation will put a connecting link between the coastal cities and inland regions, thereby faciliating the people to communicate with each other. We are really at a loss to know why the Postal Administration should spend its surplus on the less important service without in the meantime giving some of its attention to the most important service which China is badly in need of.

Financial Administration Should Be Adjusted

In order to put the Postal Administration on its feet once again it is important that the financial administration should be re-adjusted. The present deficit amounting to four million dollars can be turned into surplus without the need of going to the extent of raising the postal rates, if the Ministry of Communications can see the defects of the present system in their true light, and henceforth pursue a retrenchment policy by abolishing its superfluous offices and cutting down its unnecessary expenditures.

The tone of the Chinese press is generally sympathetic towards the stand of the Postal Workers' Union. *The Shun Pao*, one of the leading Chinese newspapers, stated, "Hitherto China's postal service has been a very profitable enterprise. But in recent years, politics has crept into the service. As a result, superfluous offices have been created, and expenditures have been increased. Thus

the service has begun to lose money. The government authorities, instead of reorganizing the system itself, has boosted the postal tariff, thereby increasing the burden of the public. This anomalous situation has not only been lamented by the public." *The China Times*, another leading Chinese daily, said to the effect that the government authorities should be responsible for the recent strike, because they had long been made known as to the demands of the Postal Workers' Union, but they did not seek the remedy to avert the strike beforehand. All the public organizations, in their petitions to the government, also urged immediate reforms of China's postal service.

Is is most unfortunate that a most important public service should be permitted to tie up at a time when all human efforts should be combined to restore the local conditions into normalcy after the recent Sino-Japanese calamity. While we condemn strongly any attempt on the part of the employees in the public service to enforce their demands by means of strike, we, nevertheless, can not deny the reasonableness of the demands as presented by the Postal Workers' Union this time. It is hoped that the Postal Affairs Research Committee which is now entrusted with the task of studying various problems pertaining to the present postal system will immediately introduce some reforms which in the end will prove beneficial to China's Postal Service.

Shanghai, May 28, 1932.

Nanking Party Leaders Urge Southerners to Settle Dispute Amicably

Fourteen Government and Party Leaders, including Generals Li Lieh-chun, Chen Chien, Po Wen-wei, Hsiang Ke-wu and Fang Ching-wu and Messers. Liu Lu-yin and Chang Chih-peng, addressed a joint telegram from Nanking end of last week to the Political Council in Canton and to General Chen Chi-tang urging them to settle the trouble there by peaceful means in view of the national crisis.

The signatories also advised General Chen Chi-tang to accept the mediation of Hu Han-min, which he rejected recently.

The telegram mentions that Canton was the cradle of the Revolution and that it would be a pity to see the City of Rams involved in another civil war. It declares that the dispute in South China is meaningless and should be settled amicably.

It will be recalled that the trouble in the South was started by General Chen Chi-tang's decision to reorganise the Canton air and naval forces, which caused General Chang Huei-chang, commander of the air force, and Admiral Chen Cheh, commander of the Cantonese navy, to assume a hostile attitude against him. Admiral Chen later ordered his gunboats to Hainan and General Chen is now threatening to send an expedition against him. Thus the war clouds have been gathering in the South, though actual warfare has not yet broken out.

Yangtsze Rapid Steamer Hits Rock and Sinks

The steamer *I-ling* of the Yangtsze Rapid Steamship Company, struck a rock in the upper section of the Yangtsze river between Chungking and Ichang about noon May 25 and sank in two minutes, and only a small portion of the passengers, mostly Chinese, were saved. The master of the vessel, J. Anderson, an American, was saved by the steamer *Yukiang*. The *I-ling* was only six years old and was one of the most efficient types of vessels running on the upper river. She was fully covered by insurance, as was the cargo aboard. The vessel was worth approximately Tls. 400,000. The *I-ling* went down at a spot in the rapids some 1,200 miles from Shanghai. The disaster was apparently due to a tidal influence over which none of the pilots had control. The pilots, it is understood, have been working under the River Inspector for the last 15 years. As yet it is not known whether the boat can be salvaged. At this time of the year the water is rising and the force of the rapids may wash the wreck down river and break her up.

No foreigners lost their lives in the wreck of the *I-ling*, according to an official statement from the office of the company. The total loss of Chinese was 16; those who were drowned lost their lives, it was explained, by running back for their belongings, despite advice to the contrary. There was a plentiful supply of lifebelts, it was stated.

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In Defence of the Postal Service

BY C. ROBINSON

IT is an undeniable fact to any keen observer that nepotism and corruption have crept into the hitherto sound postal service after the regaining of postal autonomy since 1928. To the disappointment and despair of the postal employees when they have found that the selfish interference of unscrupulous politicians in the postal administration would sooner or later destroy the healthy service, they have raised their voices many times against mal-administration and disintegration of the sound system. Had they remained silent and kept on working as the involuntary instruments of the greedy politicians, the Chinese post office would have already gone to bankruptcy and followed the steps of its brother enterprise, the telephone and telegrahic service. But sincere appeals and reasonable suggestions have been unable to check the selfish desire of making "squeeze" by the new mandarins. These unscrupulous politicians have tried every means and left no stone unturned to enrich themselves at the expense of the post office. Not only the surplus has been squandered (not for the sake of postal development), but also funds indispensable for its maintenance and subsistence have been misappropriated in other lines, thus rendering the enormous deficit of the postal budget in the current year. The exorbitant increase of domestic postage tariff has exposed the financial exhaustion of the post office due to various causes, the most significant being the establishment of a separate and independant Directorate. General of Postal Remittance and Savings Bank and the unlimited amount of subsidies granted to the two Aviation Companies. Owing to strong opposition from public bodies and postal unions, the authorities have revised and reduced a portion of the new tariff. But this revision and reduction can not hide the tendency of postal bankruptcy in the near future. The postal emplyees in Shanghai, being conscientious upon their responsibility to serve the public in the best way, have initiated the movement to prevent the postal administration from destruction by the selfish and corrupt mandarins. This movement has met and reechoed with the wholehearted support from all postal employees in this country. Based on statistics and traced to the causes of postal financial deficit, the Shanghai Postal Labor Union together with the Employees' Union has drafted the "Proposal for Consolidating the Postal Foundation" in order to preserve the healthy service and to prevent it drifting into mandarinisation. The Proposal has been petitioned to the Ministry of Communications for approval and enforcement, and representatives were sent to the ministry to explain the reasons for formulating such a proposal. But the proposal, though enthusiastically supported by all postal employees and fully sympathized with by far-sighted people, has been rejected without being carefully considered, because it will be detrimental to the interest of the selfish politicians. Several times the postal employees sincerely petitioned and patiently waited but they always met with an indifferent attitude from the ministry. At last patience reached the culmination and the nation-wide postal strike broke out in an eventful way!

Not a Rebellion

To some foreigners who do not understand the ins and outs of Chinese officialdom and the real condition of the postal service, the peaceful strike has been alleged as an organized rebellion against the governement. It is not a rebellion, but an explosion of resentment against mal-administration by the government. It is not the reaction of the employees to revert to the old system of the alleged principle "the public be damned," but a start in the direction of democratization and increased service to the public. It is not an action to protect the post office as a little independent bureaucracy within the government, but a movement to urge the government to change its destructive policy toward the postal service, which no doubt would endanger the interests of the public. We felt dissatisfaction and indignation at the alleged principle "the public be damned," operated under the control of the foreign Director General of Posts. Therefore we tried our utmost to regain the postal autonomy with the hearty support of the postal employees. But what has the authority done to remove the dissatisfaction and indignation? The responsible authorities may claim their service to serve sort of improvements, but such minor improvement can not redress the mal-administration introduced after the regaining of postal autonomy. The appointment of unqualified persons to higher posts without passing the entrance examination—the forerunner of nepotism; the disintegration of a sound postal system by the establishment of Postal Remittance and Savings Bank under the pretext of developing the remittance and savings services in order to attain their ulterior motives; the draining of postal funds without regard to its maintenance and subsistence in the form of subsidies granted to the Aviation Companies; the exorbitant increase of postage rates—these are the so-called steps to the development of postal administration and increased service to the public! Such steps would sooner or later lead the service to corruption and the administration to bankruptcy, for we must not forget the darkness of Chinese officialdom. Any enterprise meddled with or interfered with by Chinese politicians would go from bad to worse, the most significant example being the government control of the China Steamship Navigation Company. This is a fact which honest Chinese will not deny, but will frankly admit. Because the postal employees have recognized this fact, they initiated the movement to save the postal service from bankruptcy! Because the farsighted public have recognized this fact, they support the movement and sympathize with the strike!

The reasons for the exorbitant increase of postage are, according to the Ministry of Communications: Decrease of income and increase of expenditure. The decrease of postal revenue is attributed to civil wars and natural calamities, while the increase of expenditures is due to the alleged high rate of transportation fee, the promotion of employees, and the increase of the fees for printing stamps and postal supplies. These alleged causes are neither reliable nor reasonable. Readers who get reliable information and accurate statistics in regard to the postal financial condition, will easily find out that the enormous deficit is largely due to the establishment of Postal Remittance and Savings Bank, and the surprising amount of subsidies granted to the aviation companies by the post office which has nearly endangered the existence of the postal service.

The Incubus of Nepotism

The Postal Remittance and Savings Bank was inaugurated on March 15, 1930, under the initiation of Mr. Liu Shih Fan, the then Director-General of Posts and concurrently the Commissioner of Postal Division of the Ministry of Communications Before its inauguration, all postal employees raised their voice against this new organ, because it would not only seize the postal finance, but also interfere with the postal administration, and disintegrate the system. The D. G. of the said bank has an organization of wider scope than that of the D. G. of Posts. Three branch banks have been opened in Nanking, Hankow and Shanghai, The services of money order, savings, C.O.D. insurance. etc., have been transferred to and controlled by the said bank. All revenues derived from these services are ascribed to the Bank while the D.G. of Posts has to bear the payment of supplies, salaries of the employees engaged in these services, —for all money order transactions, C.O.D., insurance, and savings are operated by the post offices. The profits of the Bank were and are earned by the post office, which is only responsible for expenses. Furthermore, postal commissioners, inspectors. postmasters of first class are to be appointed, removed, or transferred with the consent of the Bank. The politicians may defend this bank by arguing that these two offices are under the direct control of the Ministry of Communications, and revenues accruing therefrom are ascribed to the ministry. But when one learns the corrupt and old accounting system of Chinese officialdom, and the new, sound system of postal accounting one would easily understand the ulterior motives of the selfish politicians for separating postal remittance and savings from the post office. From the Postal Remittance and Savings Bank, it is alleged that the Ministry has been able to draw any amount of money—the hard-earned savings of the people,—as far as possible, in addition to the introduction of nepotism.

The Postal Remittance and Savings Bank has published its balance sheet of the fiscal year ending June, 1931. It shows a net profit of $5,670,756.65 and an increase of money order and savings service. But this so-called net profit has not covered the expenses used by post office for operation of these services. If an accurate and reliable amount of expenses appropriated by the post office is available, the writer can assure you that the so-called net profit can not even cover the total expenses, and the result would be a loss instead of a profit.

To turn to the subsidies to the aviation companies, the writer and perhaps the postal employees agree to grant a certain limited amount of subsidy to the aviation companies, while their upkeep and development should rest on the

(*Continued on page 31*)

How Wheat for Flood Relief Was Handled

The Commissary Division of the National Flood Relief Commission has done a remarkably fine job in the way it handled the operation of shipping grain to far inland points in China. Between November 17, 1931 to May 20, 1932, 269 shipments of an average of 1171 short tons each, totalling 315,076 tons of wheat flour were received at the river depots of the Commission.

At each river depot bonded Depot Masters have been installed, chosen from transportation, business and missionary circles. Their duties have been to open and organize offices and godowns, and employ a staff to unload, pile and store, guard, forward by subtransportation contracts, guarantee against loss, and see to the safe delivery of wheat to thousands of agents of the emergency relief and labor relief divisions. The latter, in their dyke rebuilding program, have required delivery to both banks of the Yangtze, the Han and Hwai rivers and their larger tributaries, and connecting lakes, in addition to the Grand Canal, thousands of miles of smaller canals in seven provinces, and the group of streams flowing into the sea North of the Yangtze Mouth. All of this had to be done for emergency relief before May 1, and for labor relief, will have to be finished by June 30.

A conservative estimate of the length of water channel used, without duplication, is 6,250 miles. It is estimated further that 31,560 junk loadings have been necessary to get this mass of food from river depots to places stipulated by emergency relief leaders and supervising engineers. Each of these shipments has been weighed at the beginning and end of trip, papers made out, bills inspected and paid and collections made for any losses found. The detail has been enormous. The Commissary division has assumed full and final responsibility for the whole of this internal transportation, despite easier methods frequently suggested.

The total tonnage imported into Hankow in six months has been 147,709 tons, representing four times the annual foreign tonnage shipped in and out of that port. Pukow has forwarded 51,425 tons to interior points by its single track railway going North. Over-burdened under normal conditions, this line has been severely taxed by disturbances due to war, to the commercial flow of goods going into an affected district, and, in the spring, by hundreds of returning refugees demanding transportation. Nevertheless, a great bulk of the original task of getting grain to the Hwai River imposed by the Commission on the Division will finally have been completed. 105 trains devoted solely to National Flood Relief Cargo have been run.

The average number of paid employees at each main depot is 68, and average monthly budget is $1,520. The transportation has cost the Commission approximately one and a half million dollars (silver). Coolies who usually get 5 cents per unit for their carrying services have carried for 3 cents for the Commission. Hundreds of buildings of all kinds have been loaned free of rent. Hundreds of people with indispensable local knowledge have placed it at the disposal of the Commission.

The Division can claim to have handed over to responsible agents of other divisions 99 per cent. of the cargo committed to its care. Yet Earl Baker, Chief of the Commissary Division, has said "If we had to do it again we could do it much better."

Floods Again Threatened in Yangtsze Valley

Reports from various parts of China indicate that the heavy rainfall during the past fortnight has greatly increased the possibility of another flood this year. Reports from Hankow stated that the Yangtsze river continued to rise, thus causing increasing anxiety. A terrific rain storm lasting all day struck Hankow May 27. So rough was the weather that several native boats on the river capsized and it was impossible to run the ferry service between Hankow and Wuchang.

A concrete wall at Hankow, six feet high is being built along the Bund. This will be joined with the dykes, thus completely encircling Hankow with a flood barrier. According to a Tientsin telegram, the Yungting Ho is in danger of overflowing. Conditions on the Grand Canal are also reported to be serious. At Anking on the Yangtsze River, a terrific rainstorm has brought the water level to 28 feet 2 inches. A message from Haining, in Chekiang, reports that torrential rains last week destroyed a part of the wheat crop.

The National Government has been petitioned by the Shantung Provincial Government to grant an appropriation of $800,000 from the Boxer Indemnity Refunds for flood prevention work along the lower reaches of the Yellow River.

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Japanese Diplomats Say There Will Be No War with Soviets---But

Alarmist reports recently appearing in the German press regarding the imminence of the threat of war between Japan and the Soviet Union, formed the subject of a statement by Mr. Obata, Japanese Ambassador to Germany, published in the Moscow newspapers May 27.

Mr. Obata is reported to have declared that the Japanese Government has always taken the greatest care to respect the lawful interests of the U.S.S.R. in Northern Manchuria and to avoid jeopardizing them.

"The Japanese Government," said Mr. Obata, "has repeatedly declared to the Soviet Government that the sole aim of Japanese troop operations in Northern Manchuria is to protect local Japanese residents and that these operations have no other aims.

Mr. Matsudaira, Japanese ambassador in London, also discussed the same subject in an interview in London with Continental journalists (reproduced in the *Manchester Guardian* May 28.) Mr. Matsudaira said the notion of war between Japan and Russia is a nightmare created in the exaggerated imagination of pessimists. When questioned in regard to the allegation that the Japanese are supporting the White Russians and in relation to the apparent reluctance of the Japanese to conclude a pact of mutual non-aggression with Russia, Mr. Matsudaira argued that the size of the protective force did not depend on the number of Japanese nationals, but on the number of bandits. It was absurd, he declared, to suggest that Japan would seek the assistance of White Russians, whose counter-revolutionary impotence has been well proven. Moreover, Japan who was occupied with the settlement of the situation in Manchuria, was not likely to increase her difficulties by the invasion of Russia. Mr. Matsudaira further stated that incorrect inferences had been drawn from the speech make by General Arakai at Osaka on April 22, when the Minister of War warned both the League of Nations and the Soviets to keep their hands off Manchuria, adding that Japan would resolutely oppose any attempt to apply the Nine-Power Treaty to the situation there. He also expressed the opinion that the signature of a new agreement with Russia might lead to the erroneous interpretation that no value was attached to the existing Kellogg Pact, which had the same purpose.

***

However, advices from other parts of the world indicate that, like the lady in Hamlet, Japan protests too much. For example, a *Reuter* telegram from London May 30 stated that there is increasing anxiety among well-informed people in London, Washington and other leading capitals regarding the possibility of a Russo-Japanese clash, which is being freely discussed in diplomatic lobbies.

The anxiety is reflected in the sudden British and American action, in which France and Italy have concurred, to accelerate (so *Reuter* says) the holding of a Round-table conference in Shanghai which will discuss the status of Shanghai from the international standpoint and perhaps also Sino-Japanese differences.

"War Provokers Overestimate Their Power," Says "Pravda"

In an article entitled: "War Provokers Overestimate their Powers," *Pravda*, organ of the Communist Party, engaged in sharp comment (May 30) on the articles of Mr. Kamaichi which have lately appeared in the press of Japan, which it construes as directly intended to bring about war between Japan and the U.S.S.R. *Pravda* declares that Mr. Kamaichi is not alone in his provocative practices, and that he expresses a view that prevails in spheres far higher than that of the editors of *Nihon*, which prominently features Mr. Kamaichi's writings. "The latter," declares the Communist organ, "are the literal expression of views openly proclaimed by many of the leaders and ideologists of the Japanese military.

"The bookstalls in Japan," preceeds the paper, "are flooded with a huge quantity of literature dealing with the question of war against the U.S.S.R. While Japanese guns bombarded Mukden, the Japanese book world became enriched by a new book from the pen of Mr. Kiokachi, ideologist of the military circles, in which was expounded the inescapable necessity for the seizure of the Soviet Far East and Eastern Siberia."

A report retransmitted here from New York was to the effect that the Japanese Government is seeking to purchase the claim of the Franco-Asiatic Bank to the title of the Chinese Eastern Railway. The Franco-Asiatic Bank is said to be the successor to the defunct Russo-Asiatic Bank which held title to the railway prior to the present control of the line as a Sino-Russian enterprise. The reported attempt of the Japanese Government to take over the claim of the Franco-Asiatic Bank is interpreted in American circles as a move for Japan to obtain full control of the Chinese Eastern Railway. If such move is carried out it is declared that an open conflict between the Soviets and Japan for possession of the roads may result.

Death of General Shirakawa, Hongkew Park Incident Victim

General Shirakawa, Commander-in-chief of the Japanese Shanghai Expeditionary Force, died in Shanghai at noon May 26, after having been kept alive for several days by specialists from Japan who injected transfusions of blood and camphor. The deceased general was one of the victims of the Hongkew Park bombing incident. He was 64 years of age. The official funeral was announced to be held in Tokyo June 2, the remains being taken back to Japan on a cruiser. A memorial service was held in Shanghai at the Field Hospital in Pingliang road, on the afternoon of May 27, when officials of the Japanese Consulate General, Japanese military and naval officers, and prominent members of the local Japanese community were in attendance.

The late General Shirakawa was born on December 12, 1868. Graduating from the Military Academy in 1890, the following year, he was made a 2nd lieutenant, and finishing the staff college in 1899 he reached the rank of full general in 1925, during which time he occupied many important posts including: Chief-of-staff of the 11th Division, the chief of the 9th Brigade, chief of the Bureau of Personnel, chief of the Bureau of Intelligence, principal of the Military Academy, commander of the 11th Division and commander of the 1st Division, vice-minister of war and chief of the Bureau of Aeronautics, chairman of the Army Technical Council, military counsellor of the Kwantung Garrison Army. Finally in 1927, he became the minister of war remaining in the office for two years. In 1930, he became the president of the Army Club. In 1928, he received a decoration from the Chinese Government. The following year, he received decorations from both France and Great Britain. He came to Shanghai on March 1 as the Commander of the Japanese Expeditionary Forces in this area and was made a Baron on his deathbed; also was raised to the Junior Grade of Second Court Rank and decorated with the First Order of Merit with the Grand Cordon of the Rising Sun with Paulownia Flower. He is survived by his widow and six children, four sons and two daughters.

The death of General Shirakawa has added another disaster to the many that have accentuated the blunder which the Japanese made in their assault on Shanghai. In the meantime nothing further has been heard of the Korean who threw the bomb at Hongkew Park on April 29, and in connection with which C. H. Ahn, the head of the Korean community in Shanghai was taken into custody on the same day and handed over to the Japanese authorities. Strenuous efforts are being made on behalf of Ahn not only by the Korean community, but also by the Chinese authorities and also private citizens of other nationalties. The Chinese authorities claim that Ahn is a naturalized Chinese subject and as such the French authorities had no right to turn him over to the Japanese and the Japanese have no right to hold him.

Britain Supplies War Material to Both China and Japan

As the result of a question in the House of Commons May 25 by a Labor member regarding the export of war material from Britain to China and Japan for the first four months of 1931 and the same period this year, an official written reply stated that the exports for the period in 1931 were:

China, 602 machine guns; 2,000,000 rounds of ammunition; Japan, 17 machine guns.

During the same period of 1932, January to April, the exports to these countries were:

China, 26 machine guns and one million rounds of ammunition; Japan, 230 machine guns and 6,000,000 rounds of ammunition.

When asked whether the Government would consider stopping the export of these munitions, Major Colville of the Overseas Department replied that unilateral action by Britain would not be effective.

League Commission to Compile Final Report at Weihaiwei

According to a telegram received by the Ministry of Foreign Affairs at Nanking during the week from Dr. Wellington Koo, Chinese assessor of the League Commission of Inquiry, the Commission has completed its investigations in Manchuria and was due back in Peiping end of this week. After a brief stay at Peiping, according to the report, the Commission will proceed to Weihaiwei to compile its final report for submission to the League of Nations Council. Following his arrival at Peiping, Dr. Koo will leave for Nanking to submit to the Government a detailed report upon the work of the Commission. Part of the League Commission travelled via Dairen, where they took a steamer. Lord Lytton, the Chairman, and several other members, were announced to be returning by rail via Shanhaikwan. The Japanese objected to the Commission making any stops between Mukden and Shanhaikwan. Brief stops were, however, made inside the Great Wall.

Lord Lytton, chairman of the League Commission, has flatly denied a report that his commission intends to recommend the application of the mandatory system to Manchuria with Marshal Chang Hsueh-liang as chairman of the mandate.

Communists Release Captain Charles Baker

Captain Charles Baker, master of the Yangtsze Rapid Steamship Company motor vessel No. 2, held captive by communists since January 15, was liberated by the communists May 31. G. Findlay Andrews, of the China International Famine Relief Commission, was assisted by the rising waters of the Yangtsze in securing the Captain's release. Bluntly put, the proposition was put up to the Communists that the Commission's engineers would let the flood do its worst in that region (at the junction of the Sian and Yangtsze rivers) unless Captain Baker was released. This scheme "worked" and the Captain's release followed. It was thus agreed that the repair work should be undertaken, the workers being paid with Famine Relief wheat in the same way as in areas not under Communist control.

Berlin Newspapers Comment on Ominous Possibilities in the Far East

The Conservative German newspaper *Lokalanzeiger* in a recent issue declared that it can scarcely be doubted that the formation of the new Japanese Cabinet will materially effect the trend of events in the Far East. There can hardly be any doubt, says this German organ, that under the new Government the military will have a free hand to pursue Japan's interests in Manchuria. This, it is asserted, involves the risk of war-like complications with Soviet Russia especially in view of the fact that the Soviet Union has for some time been massing troops along its Far Eastern borders. Other German newspapers are taking a similar grave view of the dangerous possibilities of the Far Eastern situation.

Shanghai Chinese Want 19th Route Army to Remain Here

The Chinese press reported end of last week that the Anti-Japanese and National Salvation Societies of Shanghai have jointly petitioned General Chiang Kai-shek, General Chiang Kuang-nai, and General Tsai Ting-kai asking them to keep the 19th Route Army in the vicinity of Shanghai, declaring that there might be another war with the Japanese any time in the future, especially because the Japanese are alleged to be insisting upon the holding of a Shanghai-Round-Table Conference and the demilitarizing of Shanghai.

S.M.R. Railway to Raise Another Loan

The South Manchuria Railway Company will hold its annual meeting of shareholders in Tokyo June 20, when reports will be made on the accounts for the previous fiscal year. At the same time a proposal will be made to the meeting for floating a loan of Yen 70,000,000, out of Yen 120,000,000, the maximum of loan permitted to the Company. The flotation of a Yen 50,000,000 loan had already been approved by the previous meeting of shareholders.

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For information as to rates, schedules, accommodations, etc. apply to any Tourist Bureau, or communicate directly with the Superintendent of Transportation.

Peping-Liaoning Railway

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No. 2

Men and Events

H. E. Arnhold has been elected chairman of the Public Utilities Committee of the Shanghai Municipal Council.

Joseph C. Grew, newly appointed U. S. Ambassador to Tokyo, and Mrs. Grew, are due to arrive in Japan June 6.

F. C. Millington, head of Millington, Ltd., is scheduled to depart from Shanghai June 6 for a holiday in England.

A minor eruption of Mount Asama, Japan, accompanied by a slight earthquake, occurred early on the morning of May 29.

A recent issue of the Los Angeles *Commercial News* notices the appointment of Chishau S. Lee as Chinese Vice-Consul General in that city.

Sir Robert Ho Tung, Hongkong financier at present in London, has accepted the official offer of the Nanking Government to become an adviser.

Leon Friedman, co-partner in China Motors, Inc., who had been on a tour of the Continent and America, returned to Shanghai end of last week.

The Shanghai-Nanking long-distance telephone service was resumed May 25 after having been interrupted since January, owing to the Japanese invasion.

A sum of 2,000 yen has been remitted by the National Government to the Chinese Consulate at Yokohama for the repatriation of overseas Chinese in that city.

W. J. Shanahan, member of the firm of Harrisons, King and Irwin Ltd., has returned to Shanghai from home leave spent in the United States.

Edward Foster Swift, the millionaire meat packer, met a tragic death at Chicago May 28 when he fell from the window of his sixth floor apartment and was killed instantly.

Tai Chi-tao, president of the Examination Yuan, made a brief visit to Nanking from Loyang during the week. He called on Wang Ching-wei, Chu Cheng, and General Chiang Kai-shek.

Eight persons were killed and more than ten injured when a passenger train on the Peiping-Sui-yuan Railway jumped the rails between Fengchen and Hsinanchuang on the night of May 30.

Julean Arnold, American commercial attache returned to Shanghai from Hankow May 31 by airplane. Mr. Arnold had been absent since April 20 on a tour of investigation in Manchuria and North China.

A fire which started on the premises of the Telephone Bureau at Peiping May 28, completely destroyed 38 buildings in the neighborhood. The business department of the Telephone Bureau was completely destroyed.

Official calls were exchanged between Admiral Sir Howard Kelly, Commander-in-Chief of the China Station of the British Fleet in the Far East, and Admiral Chen Shao-kuan, Minister of the Chinese Navy at Nanking May 25.

The Loyang branch of the Central Bank of China was scheduled to be formally opened on June 1. This branch of the Bank became necessary as the result of the temporary removal of the seat of the National Government to Loyang in February.

The National Government recently sent several notes to the Japanese Minister protesting against the the refusal of Japanese merchants at Dairen to pay import duties on sugar in accordance with the new tariff promulgated as from Aprll 1.

At the request of the Japanese Army headquarters here, Kyuhei Kido, a Japanese sculptor now temporarily residing in this city, took a death mask of the late General Shirakawa. This is being sent to the family of the late Commander in Tokyo.

Ichizo Hayashi, father-in-law of M. Shigemitsu, the Japanese Minister to China, who together with his family arrived in Shanghai shortly after the minister was wounded at Hongkew park on Apr. 29. departed from Shanghai for Japan May 28.

It is reported from Nanking, that Chiang Tso-pin, Chairman of the Special Foreign Relations Committee, will be re-appointed Chinese Minister to Tokyo, which post General Chiang held prior to his assumption of the chairmanship of the Commission.

An Authors' and Publishers' Association has been organized at Peiping on the initiative of Dr. Ho Shih, well-known author, and other literary lights. The aim of the association will be to safeguard the copyrights and interests of authors and publishers.

The principal Chinese newspapers in Shanghai are faced with a strike of employees which had its inception in difficulties in the mechanical department of the *China Times*. On the morning of May 31 the employees printed, without the knowledge of the editors, a list of their grievances in the newspapers by which they were employed, and the following day several of the principal Chinese newspapers failed to appear.

The British Minister, Sir Miles Lampson, and his younger daughter, departed from Peiping for England May 25 travelling by the Siberian route. During Sir Miles' absence on leave E. M. B. Ingram, Counsellor of Legation, will act as Charge d'Affaires.

One of Japan's new 10,000 tons class cruisers, *Tokyo*, having completed her equipment, was handed over from Vice Admiral Araki, Chief of Yokosuka Naval Dockyard, to Admiral Yamamoto, Commander of Yokosuka Admiralty Port, and placed in the active list May 31.

A recent telegram from Pengpu in Anhui says that the National Flood Relief commission officials there state that the Rev. Henry Ferguson is still in the hands of the Reds in Anhui despite all efforts to secure his release. Previous messages reported that he had been released.

Henry R. Luce, editor of *Time* and *Fortune* magazines arrived in Shanghai this week on a trip through the Far East. Mr. Luce was entertained at tea on Tuesday, May 31 by Mr. and Mrs. Randall Gould of the *United Press*. Mr. Luce was born in China, the son of a missionary.

Rear Admiral Sakaguchi, who arrived here in Japan during the week is generally expected to replace Admiral Shiozawa, as Commander of the Japanese Yangtze patrol squadron. It was Admiral Shiozawa who ordered the expedition into Chapei in the night of January 28.

Hsu Tsu-shan, Commissioner of the Administrative Bureau of Weihaiwei, arrived at Nanking recently and asked the government authorities for the prompt payment of special subsidies to the Weihaiwei Administration which are said to be already seven or eight months in arrears.

Colonel Shih Pang-fan, Commander of the 2nd Squadron of the National Air Force and hero of the aerial battle fought with Japanese airplanes over Hangchow February 25, arrived at Nanking May 25 from Hanghow and is now convalescing at the Drum Tower Hospital. As a result of being struck by a dumdum bullet, Col. Shih's hand had to be amputated.

Chang Hsueh-ming, brother of Marshal Chang Hsueh-liang, who is now visiting in Shanghai, was guest of honor at a dinner on the evening of May 31 held at the home of Mr. and Mrs. Samson Young, No. 74 Route Victor Emmanuel, French Concession. Some fifty Chinese and foreign guests were present, the dinner being followed by dancing.

Sei Tomono, chief secretary of the Japanese Residents' Corporation, one of the victims of the Hongkew park bomb incident, left the naval landing party hospital May 26, having recovered from the injuries received on Apr. 29. He is the second man to leave the hospital, the first being Consul-General K. Murai.

Shieh Chieh-shih, Minister for Foreign Affairs of the so-called Manchoukuo, communicated a note dated May 24 to the Republic of Switzerland, applying for participation in the International Postal Federation and requesting to report to the participating countries the application of the Manchoukuo Government.

Dr. J. Heng Liu, Chairman of the National Opium Suppression Commission, and Peng Hsueh-pei, until recently Political Vice-Minister of Interior, have been appointed by the Executive Yuan as additional members of the Preparatory Committee for the Rehabilitation of the War Areas in Shanghai and Woosung.

In the Divorce Court in London, May 30, a decree *nisi* was granted Mrs. Sara de Witt Baker-Carr, living in Shanghai, on the ground of the misconduct of her husband, Brigadier-General Christopher d'Arcy Bloomfield Saltern Baker-Carr. Mrs. Agnes Helena LaFontaine was named as co-respondent. The suit was undefended.

The Japanese steamer *Bombay Maru*, on which a serious fire occurred in Shanghai harbor last week, was originally the British steamer *Glamorganshire*, and as such came to the Far East in 1904 laden with ammunition for Japan. She was sold to the Japanese and served as a transport during the Russo-Japanese War. She was built in England in 1900.

James Mills, well known traveling correspondent for the *Associated Press*, who has been in India for several months, passed through Shanghai this week on his way to Manchuria on a special assignment. Mr. Mills has been with the *Associated Press* for many years and has had service in Russia and most European countries. He served as private secretary to the late Melville Stone, general manager of the A. P. James Howe, who has been covering the Manchurian situation with the League Commission has been transferred to the United States and will be assigned to the Washington bureau. While in Shanghai Mr. Mills was the guest of Morris J. Harris, manager of the China bureau of the *Associated Press*.

W. H. Staats of the R. C. A. Victor Corporation in China figured in an incident last week with a contingent of Japanese marines. While driving on Pingliang road the Japanese who were driving a large truck forced his car way to the side and almost caused an accident. When he protested they took him and two other foreigners by force to Japanese headquarters. They were eventually released.

The Japanese news agency in Shanghai continues to call attention to instances of Japanese subjects being attacked by Chinese loafers or gangsters, citing as an example the experiences of Seiji Koyama, a Japanese newspaperman, who was attacked by a group on Avenue Edward VII on the night of May 28. The Japanese account says the "gangsters" were led by two Chinese soldiers in uniform.

The Shanghai-Nanking Railway resumed the night express service between Nanking and Shanghai on June 1. Four additional local trains were also put into service on the said date. To ensure the safety of the travelling public before normal conditions are completely restored in the various evacuated areas, Mr. Jung I, Chief of the Railway Police has detailed extra guards to escort all trains between Shanghai and Soochow.

Mr. and Mrs. K. E. Graham and their two children have returned to Shanghai from home leave spent in the United States and Europe. Mr. Graham was previously connected with the offices of the Standard Oil Company in Manchuria but in future will be connected with the head office in Shanghai. Mr. and Mrs. Graham are living temporarily at the Metropole Hotel, but on May 15 will move to No. 5 Avenue Petain.

The Legislative Yuan on May 28 passed regulations governing the functions of the National Financial Affairs Commission, among them being a provision that the military expenditure of the National Government shall henceforth be limited to national defence and the preservation of local peace. The Commission is empowered to reject any appropriation for the purpose of civil war. Once such an appropriation has been rejected by the Commission, the Executive, Yuan, it is decreed, can not alter the decision.

Mrs. Julia Ellsworth Ford, of Rye, New York, is among that large body of prominent American women who have taken up the cause of the Chinese against the Japanese and are partipicating in and urging an "unofficial" boycott against Japanese products. Mrs. Ford in the course of her campaign addressed a latter recently to Madame Debuchi, wife of the Japanese Ambassador at Washington, pointing out the danger to Japan if she continued her oppressive policy in China.

It is reported from Nanking that the Ministry of Judicial Administration has definitely decided upon a plan for the employment and deportation of convicts in the provinces of Kiangsu and Chekiang for the development of the North-West. For this purpose, a new prison will be constructed at Paotowchen, terminus of the Peiping-Suiyuan Railway, for the accommodation of these convict laborers. It is estimated that should the plan be carried into effect, a total of about 40,000 mow of waste land will be reclaimed and made arable.

League Commissioner Said to Have Taken Photographs of Port Arthur Military Zone

A telegram from Dairen May 28 stated that a sensation had been caused in military circles there as the result of the discovery that one of the members of the League of Nations Commission of Inquiry took motion pictures of the highly strategic zone known as the "203 Metre Hill," near Port Arthur, May 27. It is alleged that when the Commissioners were taken on their sightseeing tour around Port Arthur they were notified that the taking of pictures in that zone is strictly prohibited and the flouting of the warning has aroused considerable indignation. Japanese military authorities in Dairen are said to be engaged in a heated controversy as to the best course of action to be pursued in the matter.

Sincere Co. Made Two and a Half Millions Profit Last Year

The annual meeting of Sincere Co., Ltd. was held in Hongkong May 14. The reports submitted at the meeting showed that the net profit for the year, after providing for depreciation, amounted to $2,429,733.46, this despite the fact that the store in Shanghai was closed during the month of February on account of the Japanese invasion. A dividend of ten per cent was paid, in addition to a bonus of three percent.

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When a certain physician of Edinburgh University discovered a combination of elements which were assimilable into the bloodstream and which had the effect of oxygenising—thus enriching and increasing the blood itself, he achieved a great victory over anaemia—blood impoverishment—that scourge of mankind which gives rise to so many ailments. Impoverished blood is the primary cause of those wearisome back pains and headaches, weakness and debility pallor and emaciation, premature ageing, digestive and nervous troubles, insomnia, women's ailments, rheumatism and sciatica.

This formula, which is embodied in Dr. Williams' Pink Pills, has been proved over a period of nearly fifty years to be remarkably effective in all these ailments. The blood-building properties of Dr. Williams' Pink Pills have been demonstrated without a shadow of doubt in thousands of cases. If you would get back your former health and vigour give this world-famous blood and nerve tonic a trial. You will experience the same happy results as countless others have done and are doing to-day. All chemists can supply you.

Who's Who in China

Gen. Tsoh Shao-chow, Chief of Staff of the 5th Army; born at Hangchow, Chekiang, 1892; received his preliminary training at the Chekiang Primary Military School and the Nanking Military High School; upon outbreak of the First Revolution, he secretly left Nanking with some of his schoolmates including the now Gens. Chen Ming-shu, Fa Chi-wu and others and fought with the Manchu Loyalists at Wuchang under command of the late Gen. Hwang Hsin; shortly after, he returned to Shanghai and was dispatched by the late Gen. Chen Chi-mei, Tutu of Shanghai, to Huchow to assist in the organization of the Chekiang Provincial Defense Army; following unification of the North and South, he resumed his military studies at the Paotingfu Military Officers' College and became a schoolmate of Gen. Chang Chi-chung, now Commander of the 5th Army; following graduation, he served in the Chekiang Army and was successively promoted to the command of a regiment from a non-commissioned post; during the Northern Punitive Expedition of the Revolutionary Army in 1926, he was a battalion commander in the Chekiang Army garrisoning Kiukiang and was first to espouse the cause of the Revolution by joining hands with the Expeditionary Army, thereby saving the city from the ravages of war; when the Chekiang Army was reorganised as the 26th Revolutionary Army, he was appointed, Chief of staff of the Army and assisted in the pacification of Shanghai by Eastern Route Revolutionary Army under command of Gen. Pai Chung-hsi; retired in 1928 and amused himself by painting; appointed chief of staff of the 2nd training Division under command of Gen. Chang Chi-chung and participated in the Tsinan Incident of May 3, 1929; after the Incident, he re-joined the Central Military Officers' College and devoted himself to military education; upon the outbreak of the Shanghai Affair he was appointed Chief of Staff of the 5th Army and on the eve of his departure to the front, he made his will, determining to sacrifice himself for the defense of the country against the Japanese invasion; shortly after the Tsinan Incident in 1929, recognizing the inevitability of China's future conflict with Japan, he submitted a memorandum entitled "What Preparations China should Take For War With Japan" to Commander-in-Chief Chiang Kai-shek, but unfortunately the document received very scanty attention; now in less than four years, China is taken by surprise without the least preparation, the Three Eastern Provinces falling into the Japanese hands without resistence, while Shanghai and Woosung occupied after a month of bloody engagements.

Gen. Tsoh Shao-chow

祝紹周字芾南

祝紹周字芾南，年四十歲，杭州人，幼時肄業浙江陸軍小學，繼肄業於南京陸軍中學，辛亥年與同學陳果夫陳銘樞范其務等，先後逃出，密赴武昌，參加起義，受黃克強指揮，嗣返上海，由滬督陳其美指派赴湖州襄辦保安軍，南北統一後，保安軍交還浙江省政府，彼即入保定軍官學校，繼續求學，與現第五軍張治中軍長爲同學，畢業後，在浙軍中，歷任排連營團長，十五年，革命軍北伐時，祝氏任浙軍第三師營長，駐守九江，旋浙軍贊助革命，舉旗響應，祝氏所部固守九江城時，潰軍屢向城內猛撲，乃火焚九江橋而扼守之，全城得免戰禍，迄今九江市民猶甚傳其功績而感德之，旋浙軍改爲革命軍第二十六軍，祝氏在該軍任參謀長，淞滬抵定後，祝氏息影西湖，書梅自遣，十八年，張治中任中央軍校訓練部主任，祝氏奉張電召，襄理部務，張任教導第二師師長，祝氏又調任該師參謀長，戰事告終，隨張返校，辦理軍事教育，日軍侵入東省，祝氏深知欲救國難，當先團結內部，全國軍人，一致起而禦侮消弭內亂，並以不參加內戰自誓，此次抗日戰起，張任第五軍軍長，祝氏又被調任爲軍部參謀長，臨行之前，預立遺囑，對於其愛子，尤諄諄致意，力勉上進，爲國報讎，民十九年聞於濟南慘案之後，氏知日本之野心正熾，亟應起而救，乃草擬『中國應對日本準備作戰』一書，凡日本之陰謀，及中國應如何着手備戰，與戰爭之決不可免之原，無不詳述，於十八年二月呈蔣總司令，無如當時因中日親善，高唱入雲，以爲祝氏無病呻吟，故作危言激論也，今不逾四載，而關東不戰而亡，淞滬血戰而陷，中日之間重起戰禍，由此足見祝氏之雄才偉略矣。

Memorial Day Appropriately Observed in Shanghai

The American community of Shanghai appropriately observed Memorial Day (May 30). The day's events began with the assembling at the Race Course of detachments of the 31st Infantry, 4th Marines and sailors of the U. S. S. *Rochester*, together with the American Company and American Troop S. V. C., Boy Scouts of America, and Community Church Troop. Military dirges were played by the 4th Marines Band and the 31st Infantry Band, as the assembled military units proceeded to the Bubbling Well Cemetery, where a considerable body of Americans had assembled, despite the rain, to engage in the time-honored custom of decorating the graves with flowers.

The address of the day was delivered by E. S. Cunningham, U.S. Consul General, who spoke on "George Washington, the Soldier." Judge Milton D. Purdy opened the memorial rites with a brief speech. Chaplain Joseph H. Brooke of the 4th Marines delivered the invocation at the beginning of the service and the Rev. E. W. Luccock conluded them with a short prayer of benediction.

May 30 Incident Anniversary Passes Without Any Untoward Event

The anniversary of the May 30 (1925) incident passed off quietly in Shanghai, the authorities of the International Settlement, the French Concession and Greater Shanghai cooperating in taking every precaution. The Chinese community observed the day as a general holiday. The staffs of the Chinese newspapers were among those who observed the day, with the result that no vernacular papers appeared the following morning. Representatives of various local bodies attended a memorial service at the graves in Chapei of those who lost their lives seven years ago. Several attempts were made by radicals during the day to start demonstrations, but both the French and the International Police were on the *qui vive* and nothing came of them. A mass meeting had been called to be held at the West Gate but it did not materialize as the Bureau of Public Safety issued an order forbidding its assemblage.

Germany Turns Toward Hitlerism

A crisis of the first magnitude has been caused in Europe by the resignation of Dr. Bruening's Cabinet. The general elections in Germany were expected to result in a landslide for the Hitlerites. The French telegraph service *Havas* has been sending out from Berlin and Paris messages by the column, mostly of an editorial nature, explaining the French view of the German situation. *Havas* charges that President von Hindenburg deliberately brought about Dr. Bruening's resignation so as to clear the way for a Nazi regime, the ranks of which, *Havas* hints, Hindenburg may himself join. The Hitlerites are expected to wage a ruthless war on Communists.

IN DEFENCE OF THE POSTAL SERVICE

(*Continued from page 24*)

government. No one will probably agree to the operation of aviation enterprises at the expense of the post office without regard to the latter's maintenance and subsistence, for postal service is vital and indispensable to all people, while only a small portion of the rich people can enjoy the convenience of aviation. From statistics available, we find out that the Ministry of Communications has appropriated more than four millions for the upkeep of these aviation companies without any subsidy from the government. We should not oppose such "subsidy" policy when the postal revenue can cover its expenses with a large amount of surplus funds. But the present postal administration, owing to heavy losses has raised the postage rates to tide over the financial crisis; how can it bear such enormous amounts granted to the aviation companies? If such unlimited amount of subsidies be allowed unchecked, the final result will be the bankruptcy of the postal service, which would in any event lead to the suspension of the aviation service.

Hangchow, May 30, 1932.

Cholera Epidemic Threatens Shanghai, Says Chinese Bureau

The Bureau of Public Health of the Municipality of Greater Shanghai in a recent report predicted a cholera epidemic in Shanghai this summer, basing its prediction on the fact that never in the hisotry of the port had cholera made its appearance here so early as this year, the first case having been reported on April 26, since which there have been 80 confirmed cases of cholera, some of which have proved fatal. The *China Press* has for some days been carrying on a campaign pointing out the danger to Shanghai from the continued dumping of garbage into the Whangpoo, from which river Shanghai gets its drinking water. The Greater Shanghai Bureau's statement shows that a total of 1,700 tons of garbage is dumped daily near Lunghwa Chun, south of Shanghai, the three areas contributing practically equal quantities with the International Settlement in the lead. The Bureau, however, claims that its garbage boats strictly forbid dumping in the Whangpoo. The Bureau announced that it had given more than 80,000 anti-cholera injections during the past two weeks.

Dr. Wu Lien-teh, director of the National Quarantine Service, during the week entered a plea in behalf of Shanghai's millions of poor Chinese who cannot afford use of facilities of the Shanghai waterworks. Clean water must be procured for these people at cheap rates, Dr. Wu states. Practically all cholera cases reported this year come from the poorer districts.

Annual Pilgrimage to Be Made to Frederick Ward's Tomb

Members of General Frederick T. Ward Post No. 1 (China) of the American Legation will entrain for Sungkiang on Sunday morning, June 4, and from there will proceed to the tomb of the leader of the "Ever Victorious Army." As in past pilgrimages the Legionnaires will have many of the Spanish War Veterans and other organizations with them and a considerable number of members of the American community.

Post Commander George F. Shecklen states that he had had a message from the Mayor of Sungkiang assuring all of a hearty welcome. Legionnaire Cornell S. Franklin will make the Memorial address at General Ward's Tomb, which will be translated into Chinese by the Rev. W. H. Burke, of Sungkiang. Mayor Shun Yung will speak on behalf of the people of Sungkiang and his words will be rendered into English by the Rev. Burke.

Further Communal Riots in Bombay

Communal riots again broke out in Bombay May 29 when a Moslem was attacked by a Hindu crowd. Five persons were killed and 20 were injured in the riot. The rioting was resumed the following day, when three more were killed and 55 injured. A Hindu temple was burned.

The Viceroy of India has promulgated a decree renewing the anti-terrorist ordinance.

An allegation that the Indian police at Benares had stripped and beaten eight Indian women was emphatically refuted in the House of Commons May 30 by Sir Samuel Hoare, Secretary of State for India.

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New Books of Interest in the Far East

Legal Briefs on the Eastern Crisis

Japan Speaks On The Sino-Japanese Crisis, by K. K. Kawakami, with an introduction by Tsuyoshi Inukai. recently assassinated premier of Japan; published by The Macmillan Company New York.

China Speaks On The Conflict between China and Japan, by Chih Meng, associate director of the China Institute in America, with an introduction by W. W. Yen, chief delegate of China to the League of Nations and Minister of China to the United States; published by The Macmillan Company, New York.

These books are avowedly propaganda statements on the Sino-Japanese situation that are designed primarily for consumption in the United States. From the technical viewpoint both are very well done, especially that of Mr. Kawakami. who is one of the very few Japanese living who can handle the English language with force and precision. Mr. Chih Meng's book is not compiled as effectively as that of Mr. Kawakami, but it contains far less inaccuracies. Which, of course, is not surprising, since a simple statement of the facts is all China needs to prove that Japan is an imperialistic aggressor, that is to say, a bandit.

Neither book offers any profound analysis of the situation, or throws much light on the forces and counter-forces of the modern imperialistic world that today are at work across the plains of Asia. Both spokesmen rest their cases on legalities rather than realities, and in consequence Mr. Kawakami is forced into the role of a shyster lawyer. Fully 99 percent of the legalities are on Mr. Chih Meng's side, but that does not alter the fact that there is something radically wrong with a nation of 400,000,000 that lets itself be virtually conquered by a nation of 65,000,000. And of China's weakness, Mr. Chih Meng scarcely speaks; he even glosses over the fact that Chang Hsueh-liang is outstanding in the world's history as being the only ruler who ever gave up an empire almost without firing a shot although his army was many times larger than that of the invaders. And, as the battle of Shanghai subsequently showed, the bushido warriors are far from invincible.

Japan has only one honest defense, and presented with enough breath-taking boldness it could be given an aurora of Nietzschean grandeur. Japan is a small country which, despite many internal weaknesses, has been able for many years to present a strong front to the world. China is weak and disunited, both internally and externally. Manchuria is a tempting source of raw materials for Japanese industry; in fact, the area is virtually absolutely necessary for Japan to maintain her position as a great imperialistic power. Therefore, by the inexorable logic of superior force, the seizure of Manchuria is justified.

Of course, the attitude of other nations is to be considered, and also the effects of China's ancient weapon of boycott on Japan's trade, without which raw materials are meaningless. At the present time one can only assume by developments that Japan reasoned well on these considerations; that the internal troubles of other nations, combined with their fear of aiding the Soviet Union if they curbed Japan in Asia, would prevent them from doing more than adopting empty resolutions at Geneva; certainly they have done nothing, nor is there any indication they will do anything. Further, tne latest figures for trade since Japan took and demilitarized Shanghai would indicate the boycott was distinctly weakening. Therefore might makes right.

But Mr. Kawakami does not indulge in any such engaging frankness. Instead he rests Japan's case primarily on the Li Hung-chang-Lobanov Treaty of 1896, the 1905 Treaty, and the treaties growing out of the 21 Demands in 1915. The 1896 Treaty is cited to prove that China had a secret alliance with Russia which continued up to the Russo-Japanese war and therefore made entirely justifiable the retention by Tokyo of the Kwantung peninsula and part of the Liaotung territory which the greed of other imperialist powers had prevented Japan from obtaining in the Sino-Japansse war of 1894-95.

The validity of this contention may be disposed of briefly. As Victor A. Yakhontoff points out in his "Russia and the Soviet Union in the Far East," this treaty "lost any meaning" after Russia invaded China in 1900 at the time of the Boxer uprising,—"actual hostility" that he rightly says "no treaty of friendship or even alliance could survive."

The 1905 Treaty is again dragged forth to prove that in it China agreed not to build any parallel railroads to the South Manchuria Railway, which she unquestionably since has. But Mr. Kawakami forgets entirely to mention that it has been only recently proven conclusively that there is no such agreement in the text of this treaty, and if any such protocol is in the minutes, which are not signed but only initialed, it is of exceedingly dubious value.

And, in mention of the treaty growing out of the 21 Demands, which China has beyond doubt violated to greater or less degree, Mr. Kawakami forgets to say that it was never ratified by the Parliament then existing and hence has no more legal value than a treaty negotiated by the United States which never received the sanction of the Senate.

Although strong for legalities, it is noteworthy that Mr. Kawakami offers no explanation of Japan's course under the League of Nations Covenant, the Kellogg-Briand Peace Pact, or the Washington Nine-Power Treaty, pacts about the legal validity of which there is no argument whatsoever. In this omission one can only commend Mr. Kawakami for recognizing that there are sophistries too patently false for the stomach of even a shyster lawyer. But one can only deplore the typical lack of a sense of humor which made Mr. Kawakami condemn the anti-Japanese boycott, instituted by China *after* the seizure of Manchuria, as a violation of the Kellogg-Briand scrap of paper.

One reason for the Japanese seizure of Manchuria that has not been sufficiently emphasized is brought out by Mr. Kawakami. He points out that Jataro Yamamoto, president of the S.M.R. in 1927-29, found that the Fushun coal mines offered the possibility of shale oil production which would do away with Japan's present oil importations of 1,700,000 tons a year, Which is most interesting and significant.

Rather curiously, Mr. Kawakami characterizes Japan's recent seizure of Shanghai as "a blunder of the first magnitude." It is essential to note he does not condemn intervention *per se*, but he thinks Japan should have intervened only in active cooperation with other powers. His reason is that the other powers will gain the most from Japan's stupendous sacrifice in men and money; "it is even possible," he says, "that the foreign areas (of Shanghai) will be extended a few miles as has long been desired by the foreign community."

Here this reviewer is forced to violently disagree with the Japanese spokesman. Under her imperialistic policy Japan had no other choice but to invade Shanghai in order to attempt to solve the inherent contradiction of her conquest of China. The boycott had reduced Japan's all-important China trade to virtually nothing, and the only way the boycott could be broken was either by force or by giving up Manchuria. Whether, in the long run, Japan will be the victor—that is retain both her China trade and Manchuria—remains to be seen, but under her policy of imperialism her course was inevitable. And so far she has definitely, if not finally, won to the extent of demilitarizing the area around Shanghai (which is to say that she has practically ousted Chinese authority), and also has become so dominant in the International Settlement that (as was shown in the recent municipal elections) no one not pro-Japanese can sit on the Shanghai Municipal Council.

As far as legalities go Mr. Chih Meng has largely covered the points in treaties that this reviewer already has enumerated in dealing with Mr. Kawakami's book. In one place Mr. Chih Meng shows a luscious sense of humor in quoting George Bronson Rea, now chief among Japanese propagandists, as saying back in 1915 that "experience has shown that in any regions of China in which political control is exercised by the Japanese, the tendency is for foreign trade to dominish."

"Some Japanese publicists," continues Mr. Rea, "are quite candid in regard to Japan's ambitions....Japan professes belief in the Open Door policy as long as she things it advantageous for her to do so, but the time, they declare, has come when Japan can disclose her real policy, that of exclusion."

This, of course, appeared in the *Far Eastern Review* long before Mr. Rea had been converted to bushido, which conversion he once explained (in an article in 1927, if this reviewer's memory of dates serves correctly) was due to a conversation with the president of the Yokohama Specie Bank. Since that momentous conversation Mr. Rea has found Japan a true and stalwart grardian of the Open Door.

Mr. Chih Meng concludes that Japan "is challenging the fundamental principles of justice and peace upon which the New International Order stands." Which statement is not very exact. The one thing that the present Sino-Japanese crisis most conclusively proves is that there is on

"New International Order," but merely the old order of imperialism with a lot of frayed window-dressing labeled, the "League of Nations" and the "Kellogg-Briand Peace Pact." And the sooner Mr. Chih Meng and other Chinese recognize this unpleasant fact, the better it will be for the ancient land of Cathay. W. B.

Railway Rivalries in Manchuria and Japan

The April 13 issue of *Foreign Policy Reports* is devoted to a discussion of railway rivalries in Manchuria between China and Japan, this subject being discussed by T. A. Bisson. The author says it is obvious that the basic conflict in Manchuria does not admit of settlement. What is at stake," says Mr. Besson, "is the share to be derived by China and Japan from the future economic development of Manchuria, which in the last analysis, depends upon control of the arteries of communication. Continued resort to direct action on the part of Japan, by encouraging the militarization of China and compelling a pro-Russian orientation, will tend to unsettle the Far East indefinitely. The most practical alternative is some form of compromise that will further the cooperative development of both the Chinese and Japanese railway systems in Manchuria."

Recent Pamphlets Received

Chung Hwa Tsa Chih is the name of a journal published by Chinese in Leiden, Holland, the principal contents being in the Dutch language. A recent issue reprinted in English the article by "Charlie Chan" of Chapei fame which appeared in *The Review* March 19 last.

Foreign Policy Reports for April 27 discusses the political outlook in Germany and France. The German section of the report was prepared by M. S. Wertheimer; the French section by Vera M. Dean.

"The (Indian) Round Table Conference and Its Aftermath" is discussed by Haridas T. Muzumdar in the *India Today and Tomorrow Series* (No. 4) issued at Vesey Street, New York City. Among other things the writer says: "The death-knell of the British Empire has been rung. India has served notice upon Britain to remain in our midst on our own terms or to clear out."

St. Luke's Hospital for Chinese, conducted by the American Church Mission at Shanghai, issued its 65th annual report recently, covering the operations for 1931. J. M. Wilson, the superintendent; H. H. Morris, medical director; Laura E. Lenhart, superintendent of nurses; and Cameron F. MacRae, chaplain, give a summary of activities in their respective departments. The work of the hospital has long since outgrown its quarters in Seward road and Tls. 560,000 has been raised out of a total of Tls. 1,000,000 required for the erection of a modern establishment.

Revised Regulations of National Finance Commission

The text of the revised regulations governing the organization and functions of the National Finance Commission, which were formally approved at a meeting of the Legislative Yuan May 28, was officially released during the week.

This Commission was created by the National Government last November on the recommendation of T. V. Soong, Minister of Finance, and in accord with the views exchanged between the then Central Government and Canton peace representatives and leading bankers at Shanghai.

In a statement issued on Nov. 12, last year, commenting upon the establishment of this Commission, T. V. Soong said that "An essential feature which augurs well for the future of the Commission is the widespread abhorrence towards civil war." It is significant to note that by virtue of the revision, which, it is understood, was also recommended by Minister Soong, the Commission will in itself become a strong safeguard against recurrence of civil war, as the most important addition to the revised regulations governing the Commission is the provision stipulating that military appropriations shall be limited only to those required for national defences and pacification of the country, and that the Commission has not only the right but also the duty to withhold its sanction for all financial burdens of whatsoever nature imposed for the purpose of carrying on civil war. In addition, the Commission is also invested with the important powers of improving national finances, auditing bond issues and inspecting and publishing the receipts and disbursements of the Government.

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CUSTOMS NOTIFICATION.

The public is hereby informed that under Government instructions the restrictions on the shipment of copper notified in Customs Notification of the 26th February, 1932 have now been withdrawn and that, unless for military use, copper may now be exported as formerly.

H. O. Tong,
Superintendent of Customs,

L. H. Lawford,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 27th May, 1932.

BACK ISSUE WANTED

The Review will pay 50 cents each (big money) for each of the following issue. Ten copies of the following number is desired.

March 5, 1932 Vol. 60 No. 1

Mail with statement to
THE CHINA WEEKLY REVIEW
38 Avenue Edward VII,
Shanghai.

U. S. AND BRITAIN SUPPORT CHINA IN OPPOSITION TO ROUND-TABLE-CONFERENCE

(*Continued from page 10*)

three Eastern Provinces her "subsistence line" and as she anticipates to exercise paramount influence on the commerce in the Yangtsze valley as her "nourishing line," the very thing she stands in sore need of is such a powerful base in this part of China for her activities.

These are the real causes. Neither the anti-Japanese boycott in Shanghai nor the presence of armed Chinese forces in Shanghai is responsible for the recent Shanghai crisis. Nine times had Japanese outrage driven the Chinese into boycotting Japanese goods, but the boycotts of former years did not serve to kindle the flame of war; Chinese armed forces had long been stationed around Shanghai, and the presence of these troops constituted no case for Sino-Japanese friction until very recently. If we penetrate into the real position of affairs we can rest assured that the questions raised by the British Residents' Association are not the very points on which hinges the Sino-Japanese situation.

With regard to the questions of "outside roads" and that of the Special District Courts, those are still further from being the causes of Sino-Japanese issues—even the Japanese press has not been particular about them.

Allow us to say that, if our friendly nations should like to enjoy the security of their commercial interests in China, it is, above all, advisable to render proper assistance to China in bringing about a satisfactory settlement of the Manchurian question. This will, once for all, do away with any and every complication in the relations between China and Japan; and as a result of this fundamental settlement they will not only have the satisfaction of seeing peace and order prevail in Shanghai but will never fail to enjoy the expansion of their commercial interests throughout the Republic.

If, unfortunately, they should find themselves unable to attain this end at present, they are expected, at least, to be keen in their observation and firm in their impartial attitude, so much so that no Japanese misrepresentations shall in any way move them to credulity.

It should be noted that throughout the 34 days of hostilities in the Shanghai-Woosung area the Chinese troops absolutely refrained from stepping into the bounds of the Settlement; nay, they even gave up pursuing the enemy when the latter beat a retreat into that part of the Settlement which they used as a military base. Would it not be but fair if we say that those who have at heart the future security of the Settlement have only to ask Japan whether she would choose to guarantee it?

If instead of pursuing the right course, our friendly nations should contemplate restrictions on the stationing of Chinese forces they would be forcing unjust measures on China which, as a matter of course, could not be accepted by our people. We do not see any reason why they should thus sacrifice the goodwill they have won from our people and share with Japan the blame of inflicting wrongs on China.

Therefore, from the standpoint of the commercial interests of the various powers in China, it is inadvisable to agree to the resolutions brought forward by the British Residents' Association. Be good enough, dear sirs, to give due consideration to this sincere advice of ours, offered in the name of the Chinese business community of Shanghai.

Yours faithfully,
CHAMBER OF COMMERCE OF SHANGHAI.

Advices from Washington indicate that the American Government feels that the time for the holding of any conference regarding any phase of the Sino-Japanese controversy, of which the Shanghai question only forms a part, is not yet ripe. When it is felt that the time has come, the Washington advices indicated, that the United States and Great Britain would probably take the lead in accepting the suggestion, which had been made by the Japanese Government, for the holding of such a conference.

According to a *United Press* message, special interest centred on the question of the scope of such a conference, and it was understood that at present the Japanese desire was to restrict the agenda to the Shanghai question although in other quarters there is a feeling that the entire problem of Sino-Japanese relations, including Manchuria, should be taken up. U. S. Secretary of State Stimson and British Prime Minister MacDonald are reported to have conferred on the matter of the proposed Shanghai round-table-conference by long-distance telephone and to have agreed that the time for holding such a conference had not yet arrived.

Telegrams from Washington on the same date (May 27) contained the information that the U. S. Navy Department had ordered additional vessels of the scouting force to join the fleet of vessels now in the Pacific, upon completion of their overhauling in Atlantic Coast yards. The vessels to be sent included the *Marblehead* the *Chester* the *Tattenall*, the *Dobbin* and the aircraft carrier *Lexington*. Considerable comment was aroused in Washington by this order since it was only recently that the Scouting Fleet was ordered to remain in the Pacific instead of returning to the Atlantic at the completion of recent maneuvers.

Post of Foreign Minister Still Remains Unfilled

Chinese political circles were during the week discussing the future of Quo Tai-chi, at present acting Vice Minister for Foreign Affairs, and who some time ago was designated as Chinese Minister to England, his assumption of the latter post having been held off pending the clearing up of the Japanese invasion of Shanghai. End of last week telegrams from Nanking indicated that Mr. Quo would take over the post of Minister of Foreign Affairs at present held by Dr. Lo Wen-kan, concurrently with his post of Minister of Justice. Recently Dr. Lo has made it clear that under no circumstances did he care to continue to hold both positions now that the Japanese had withdrawn from Shanghai and he intended to devote himself exclusively to his duties as Minister of Justice. A *Reuter* telegram from Nanking May 30 stated that Mr. Quo had definitely decided not to accept the post of Foreign Minister and that he intended to proceed to England in the near future to take up the post of Minister. It is reported now that Wang Ching-wei, president of the Executive Yuan, will be asked to assume the post of Foreign Minister for the time being.

The Future of Marshal Chang Hsueh-liang

A recent Japanese telegram from Tientsin hinted that General Chang Hsueh-liang has decided to resign from his official posts and is in course of preparation to that effect. Whether this is true or not we do not know, but it is a fact that the Japanese Legation Guard in the course of a maneuver (or route march) in the strects of Peiping recently, selected as the spot for a "rest," Fengsheng Hotung, 700 or 800 meters distant from Marshal Chang's residence.

General Chang Hsueh-liang still commands some 150,000 troops, most of whom have received no wages since the last Chinese New Year. The military expenditures are apparently extracted from opium and salt revenues.

120 Unclaimed Corpses per Day in Shanghai

Pat McGrady, *China Press* staff writer, in a recent article mentioned that every day in normal peaceful times 120 unclaimed corpses are found in the Shanghai district, ninety percent of them being infants. The work of removing these bodies is undertaken by the Shanghai Public Benevolent Cemetery, with offices at 2 Pakhoi Road. The work of the Cemetery had been greatly added to in recent months owing to the added mortality due to the warlike operations. A similar organization operates in the French Concession.

Newton Baker Says Stimson Far Eastern Policy Is Weak

Newton D. Baker, former Secretary of War in the Wilson Cabinet, and now a leading candidate for the Democratic presidential nomination, criticized Stimson's Far Eastern policy in a reply to a questionnaire addressed to him from the League of Nations Association at New York May 19.

He characterized the Stimson doctrine of non-recognition as "weak, impractical and not sufficiently comprehensive," and deplored the refusal of the United States Senate for closer co-operation with the League.

"It is to the interest of the United States," declared Mr. Baker, "to contribute further to the strengthening of the world's peace machinery," adding that the Nine-Power Treaty aligns the United States with the League in regard to the former's Chinese policy.

New Mayor Takes Office at Swatow

T. T. Tchai, the new mayor of Swatow, was inducted into office last week with appropriate ceremony. More than 300 foreign and Chinese guests were present. He was sworn in by Kwan Su-yien of the Kwangtung Provincial Government. Mr. Tchai in the course of his inaugural speech stated that he hoped to make new Swatow a commercial, industrial and educational center.

Trotsky Says a Hitler Victory in Germany Means War with Soviets

Allegations that the advent of Herr Hitler to power in Germany would finally consolidate French hegemony over Europe, made by the exiled Bolshevik leader Leon Trotzky in an American journal, were featured May 19 by the entire Berlin press.

The article of M. Trotzky asserts that immediately after seizing the reins of government Herr Hitler would place the Reich at France's disposal for an anti-Soviet crusade. "If I were still in the Kremlin, and if I were advised by telephone of the fact that Herr Hitler had assumed power in Berlin, I would, without a moment's hesitation order the mobilizaton of all Russian forces," the author declares.

Chinese Protest to French Against Seizure of C. H. Ahn

The Chinese Foreign Office, according to the Chinese newspapers, has lodged a protest with the French Minister against the arrest, and extradition to the Japanese consular authorities in Shanghai, of C. H. Ahn formerly Premier in the Korean Provisional Government, and for many years a resident of the French Concession. Mr. Ahn, who was taken into custody in the French Concession following the Hongkew Park bombing outrage, is claimed to be a naturalised Chinese citizen.

Latest New York Stock Exchange Quotations

Market Easy — Business Done 1,500,000 Shares

June 1, 1932

1931-1932 High	Low	Div.$ per Sh.	STOCKS	Sat. May.28	Mon. May.31
23½	2	—	Adams Express	2	1⅝
182¾	50¼	*6.00	Allied Chemical & Dye	50¾	47¾
42¾	4⅞	.50	Allis Chalmers	5	4⅛
129¾	35½	*4.00	American Can	36	34⅝
51¾	2¼	—	Amer. & Foreign Power	2¼	2
31½	1¼	—	Amer. & For. Power W.	1¼	1¼
58½	6⅛	—	American Smelting	6⅛	5¼
201¾	91¾	9.00	American Tel. & Tel.	91¾	88⅛
132¾	51⅛	*5.00	American Tobacco "B"	51⅛	46⅝
80¾	12	3.00	American Waterworks	13¼	12⅛
43¼	3⅞	—	Anaconda Copper	3⅞	3½
295½	30¼	*4.00	Auburn Automobiles	33⅜	31¼
87⅞	4⅜	—	Baltimore & Ohio	4⅜	3⅞
70⅜	10⅜	—	Bethlehem Steel	10⅜	8
76½	23⅜	*3.00	Borg Warner	24⅜	21⅛
30¾	3½	1.00	Canadian Pacific Railway	3½	3½
45¾	7⅝	1.25	Case J. I.	8⅛	7⅝
131½	18⅛	—	Chase Bank	19⅜	17¾
102	22⅛	3.00	Chesapeake Corp.	22⅛	19⅝
54⅛	6½	3 00	Chrysler	7	6
25⅝	5⅜	1.00	Cities Service, Co.	6	5⅝
20¾	1⅞	—	Columbia Gas & Electric	1⅞	2
45⅝	6	1.00	Common wealth &Southern	6¼	5⅝
12	2	.30	„ „ warr.	2	2⅛
2¾	¼	—	Consolidated Gas. of N.Y.	¼	¼
109⅝	39¾	4.00	Continental Oil	39¾	36
12	4½	—	Corn Products	4½	4
86⅝	29¼	*3.00	Curtiss Wright Co.	30¼	27⅝
5⅞	⅞	—	Drug Incorporated	⅞	⅞
78¾	27¼	4.00	Du Pont de Nemours	27¼	23
107	26⅛	4.00	Eastman Kodak	27½	25⅞
185¾	40¼	5.00	Electric Bond & Share	41	39¾
61	6¼	6% S	Electric Power & Light	6¼	5⅝
60¾	3½	1.00	Fox Film "A"	3⅝	3¼
38⅜	1⅛	—	General Electric	1¾	1⅛
54¾	9⅞	.40	General Foods	9⅞	8⅝
56	21⅞	3.00	General Motors	21⅞	20½
48	9⅝	1.00	General Railway Signal	9¾	8⅞
84⅛	8¼	3.00	Gillette	8¼	8
38¾	9¼	1.00	Gold Dust	13⅜	12¾
42½	9¾	1.60	Goodrich Rubber	9¾	8⅜
20⅞	2¼	—	Goodyear Tire & Rubber	2¼	2¼
52¾	5¾	—	International Cement	6	7
62½	4¾	2.00	International Combu. Eng.	4¾	Not
4	½	—	International Harvester	⅝	½
60½	16	1.80	International Nickel	16½	15¼
20⅛	3⅞	—	International Tel. & Tel.	4⅛	3⅝
38¾	2⅞	—	Johns Manville	2⅞	2¾
80¾	10½	—	Kennecott	10¾	10
31½	5½	—	Kreuger & Toll	5½	5
27⅜	1/32	1.61	Liggett & Myers, "B"	1/32	1/32
91¾	36½	*4.00	Loew's: Inc.	36½	34⅛
63¼	16	*3.00	Lorillard P. Co. (com.)	16	13½
21⅞	9½	1.20	Ludlum Steel	9½	9
19	1½	—	Montgomery Ward	Unq.	Unq.
29¼	4	—	Nash Motors	4	3½
108½	25	3.00	National City Bk. bid price	26	24
14¾	2¾	—	Nevada Consolidated Co.	2¾	2½
132¼	9½	—	North American Aviation	10⅛	9⅜
90¼	15⅜	10%S	Pacific Gas & Electric	15⅞	14¾
54⅞	19⅞	2.00	Packard Motors	19⅞	18¼
11⅞	2	—	Paramount—Publix. Corp.	2	2
50⅛	1½	—	Pennsylvania Railroad	1½	1½
64	7½	—	Pennroad Corporation	8	7
8½	1¼	—	Phillips Petroleum	1¼	1⅛
16⅝	2½	—	Public Service of N.Jersey	3⅞	3½
96	36¼	3.40	Radio Corporation	36⅞	34¼
27½	2¾	—	Radio-Keith Orpheum	2⅞	2⅝
24½	1⅝	—	Reynolds Tobacco "B"	1⅝	1⅝
54½	27½	3.00	Sears Roebuck	27½	26⅞
62¼	15	2.50	Shell Union	15¼	14⅛
10¼	2½	—	Simmons Company	3	2⅝
23⅜	3⅞	—	Socony-Vacuum Corp.	3¾	3⅛
26½	7	.80	SouthernCaliforniaEdison.	7	5⅝
54½	17⅝	2.00	Standard Gas & Electric	17⅝	17½
88¾	9¼	3 50	Standard Oil of N. Jersey	9¾	8½
54½	20¼	*1.00	Texas Corporation	24	22¼
26¼	9⅞	1 00	Texas Gulf Sulphur	10	9⅞
55¾	13⅞	2.00	Trans America	14	13½
18	2	—	Union Carbide & Carbon	2⅝	2⅝
72	16¾	2.00	Union Pacific Railway	17	16
205⅛	37¼	6.00	United Aircraft & Trans.	37¼	35¾
38⅞	7	—	United Corporation	7	6⅝
31¼	4½	.40	United Gas Improvement	4⅜	Not
37½	13½	1.20	U.S. Rubber	13⅝	11½
20⅜	2⅛	—	U.S. Steel	2¾	2⅜
162¾	26¾	—	Vanadium	27¼	25¾
76¾	5¾	—	Westinghouse E. & M.	5¾	5¼
20⅜	⅞	—	Woolworth	⅞	⅞
107¾	19⅛	1.00	Call Money	19⅝	18¾
72⅝	26⅛	2.40		26⅛	23½

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Much Poppy Cultivation in Honan

(From The Review's Correspondent)

Kaifeng, Honan, May 24

The Honan Native Association of Peiping has recently written a lengthy letter to the provincial Kuomintang, pointing out the evils of opium and urging the political authorities to carry out the opium prohibition regulations. The letter also says that in Nanyang and neighboring districts alone several million *mow* have been planted with poppy. Returning from Nanking, General Liu Chih, chairman the province, saw two-tenths of the land along both sides of the Lunghai Railway devoted to poppy culture. General Liu was said to be extremely angry at seeing the poppy growing, and gave instructions to the magistrates of different hsiens in East Honan, to clear away all of it within five days of receiving the order. In West Honan, more poppy has been planted, and a good harvest is expected.

According to Kung Teh-peh, head of the Honan Long Distance Telephone Administration Bureau, the long distance telephone lines have been established in more than 80 hsiens in the province with a total length of over 7,000 li. Some new lines are to be established at the end of June.

Sulphuri Acid Factory in Honan

According to an investigation recently made a plentful supply of saltpetre and sulphur is produced along the Taokow and Chinghua line in North Honan. The National Industrial Ministry of Nanking has therefore decided to establish a big sulphuric acid factory there.

In a small village, named Luwangfen. in North Honan. there was recently discovered a dragon skeleton with perfect teeth and tongue. It has been brought to a neighboring district, named Hueihsin, for exhibition.

Kaifeng Census Figures

A census of the population was held in the city on May 22 by the local public safety bureau, when a large number of opium-smokers, gamblers and suspected person were arrested. According to the local public safety bureau, the number of families in Kaifeng city in April was 54,204, and that of the residents 252,962.

Two professors with 48 students of the Agricultural Department of North-East University, Shenyang, have entered Honan University, Kaifeng, to continue their studies.

On the Fukow-Tunghsu-Weishih border, about 100 li south of the Kaifeng city, a large body of bandits, directed by the Communists, is creating disturbances. The South Honan people have recently telegraphed General Liu Chih, chairman of the province, to dispatch more troops there to suppress the Communist-bandits. Since the fall of Shangcheng Hsien three months have elapsed, but there has been no indication of restoration of the city. According to the local military authorities, the Communist-bandit suppression work in South Honan has come to a standstill.

The North Honanese recently telegraphed the famine relief association of the province to stop the migration of the famine sufferers from South Honan, about 100,000 in number, to North Honan, as in that region they are as badly off as the Southern Honanese.

General Liu Interviewed

General Liu Chih, chairman of the province, who returned from Nanking on May 20, declared to pressmen that on arrival at Nanking he made a report on the military and political conditions to the government leaders, then went to Chekiang and Changchow to inspect troops, later to Hangchow to worship and make offerings to the patriotic soldiers of the First National Army Corps, and then proceeded to Shanghai to consult concerning famine relief funds. Continuing, General Liu said that the anti-Japanese army would be all moved towards the Honan-Anhuei-Hupei border to suppress the Communist bandits, and that General Chiang Kai-shek had been appointed commander-in-chief of the Communist-bandit suppression army of Honan, Hupeh and Anhwi. General Liu also said that for the time being the capital would not be moved back to Nanking, due to the uncertain political conditions.

80 Prisoners Attempt to Escape at Ichang

A report from Ichang says that on the night of May 24 some 80 prisoners of Ichang attempted to escape, and that 40 of them succeeded in crossing the river to the opposite bank. Several were shot down by the prison guards, while nearly 40 have been re-captured and brought back to the prison.

The National City Co. Gold Bond Quotations Received From Head Office

May 26, 1932.

SECURITY	RATE & DATE DUE			Price	Approx Yield %
The National City Bank of New York		Stock		28	—
Argentine Government	6 %	May 1,	1960	41⅜	—
U. S. of Brazil	6½%	Oct. 15,	1957	16⅜	—
Canadian National Railway Co.	5 %	Oct. 1,	1969	83	6.17
Chile Government	6 %	Sep. 1,	1961	6½	—
Republic of Finland	6½%	Sep. 1,	1956	44⅛	—
Finnish Gtd. Municipalities "A"	6½%	Oct. 1,	1954	83	—
German Central Bank for Agriculture	6 %	Apr. 15,	1938	23¼	—
German Central Bank for Agriculture	6 %	Oct. 15,	1960	22½	—
German General Electric (A.E.G.)	6 %	May 1,	1948	28	—
Ilseder Steel Corp.	6 %	Aug. 1,	1948	17¼	—
Kingdom of Italy	7 %	Dec. 1,	1951	86½	8.42
Lautaro Nitrate Co., Ltd.	6 %	July 1,	1954	2	—
City of Milan	6½%	Apr. 1,	1952	64	10.81
State of Minas Geraes Series "A"	6½%	Sep. 1,	1959	13	—
Republic of Peru	6 %	Oct. 1,	1961	4¼	—
Rhine Westphalia Electric Power Corp.	6 %	Apr. 1,	1955	20	—
State of Sao Paulo (Brazil)	7 %	Oct. 1,	1940	60	—
Saxon Public Works	6½%	May 1,	1951	16⅜	—
American I.G. Chemical Corporation	5½%	May 1,	1949	57	11.22
Chicago, Milwaukee, St. Paul & Pacific	5 %	Jan. 1,	2000	3½	—
Chile Copper Co.	5 %	Jan. 1,	1947	30	—
Goodyear Tire & Rubber	5 %	May 1,	1957	65	8.36
International Match Corporation	5 %	Jan. 15,	1941	¾	—
The Mead Corp. w.w.	6 %	May 1,	1945	37	—
National Steel Corp.	5 %	Apr. 1,	1956	68	8.03
Japanese Government	6½%	Feb. 1,	1954	65	10.65
Japanese Government	5½%	May 1,	1965	53	10.69

QUOTATIONS RECEIVED FROM LONDON OFFICE

Republic of China Gold Loan	5 %	1925		58¼	—
Chinese Govt. Re-org. (£) Loan Stamped	5 %	1913/60		59¼	—
Chinese Govt. Re-org. (£) Loan Unstamped	5 %	1913/60		57¼	—
Chinese Government (Crisp Loan)	5 %	1912		38	—
Shanghai-NankingRailway	5 %	1904/08		30½	—
Shanghai - Hangchow-Ningpo Railway	5 %	1908/58		59½	—
Hukuang Railway	5 %	1911/1951		17	—
Tientsin-PukowRailway	5 %	1908/09		12	—

NOTE: The above quotations are received by cable and whilst believed to be correct are not guaranteed.

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In All Parts of China and the Far East

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Elgin & Cunningham Roads

China News Company
139 Szechuen Road.

Chinese American Publishing Co.
78 Nanking Road,

F. Ziang Kee Book Co.
223 Szechuen Road.

Foo Shing Tai Exchange Shop
Corner Hart & Avenue Roads

George Dry cleaning & Dyeing Shop
197 Avenue Dubail

Kelly and Walsh, Ltd.
22 Nanking Road.

Kelly and Walsh, Ltd.
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Kwang Ki Book Co.
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